European Polytechnic Institute Ltd.

# **BACHELOR THESIS**

# European Polytechnic Institute Ltd., Kunove

Field of Study: Management and Marketing of Foreign Trade

# PERSONNEL MANAGEMENT, HUMAN RESOURCES MANAGEMENT AND MOTIVATION IN THE COMPANY KONFORM PLASTIC LTD.

(Bachelor Thesis)

Author: Daniela KARASOVÁ
Supervisor: Ing. Hana Lancová



 soukromá vysoká škola na Moravě Evropský polytechnický institut, s.r.o. Akademický rok 2011/2012

# ZADÁNÍ BAKALÁŘSKÉ PRÁCE

Jméno a příjmení: Daniela Karasová

Studijní obor: Management a marketing zahraničního obchodu

Téma práce:

Personální management, řízení lidských zdrojů a motivace ve firmě KONFORM - Plastic, s.r.o.

Cíl bakalářské práce:

Cilem bakalářské práce je analýza personálního managementu, řízení lidských zdrojů a motivace ve firmě KONFORM - Plastic, s.r.o. V úvodní části vypracujte s pomoci světové odborné literatury a časopisů teoretická východiska v oblasti lidských zdrojů a motivačních strategií v malých a středních podnicích. V další části představte firmu a vypracujte časové řady hospodaření společnosti za posledních pět let. Dále analyzujte vnitřní, vnější a celkové prostředí firmy, vypracujte SWOT analýzu personániho managementu ve firmě. Na základě analýz navrhněte optimalizaci personálního managementu, řízení lidských zdrojů a motivace zaměstnanců ve firmě KONFORM - Plastic, s.r.o. Po konzultaci s vedením firmy aplikujte navrhovanou optimalizaci do praxe. Výstupem práce bude také článek na Mezinárodní studentské konferenci na EPI s.r.o. nebo na jiné vysoké škole v ČR nebo v zahraničí. Práce bude obhájena před vedením firmy KONFORM - Plastic, s.r.o., toto hodnocení bude součástí práce. Bakalářskou práci podrobte testu naplagiátorství a výsledek předložte zkušební komisi u státních závěrečných zkoušek.

#### Osnova:

Úvod

1. Teoretická východiska

- 2. Představení firmy KONFORM Plastic, s.r.o.
- Časové řady hospodaření společnosti za posledních pět let
- Analýza vnitřního, vnějšího a celkového prostředí firmy
- SWOT analýza personálního managementu ve firmě
- Optimalizace personálního managemetu, řízení lidských zdrojů a motivace zaměstnanců ve firmě KONFORM - Plastic, s.r.o.
- Aplikace navrhované optimalizace do praxe

Závěr

Podle zákona č. 111/1998 Sb., § 47b, odst. 3 platí, že odevzdáním práce autor souhlasí se zveřejněním své práce podle tohoto zákona, bez ohledu na výsledek obhajoby,



Vedoucí práce: Ing. Hana Lancová Oponent práce: Ing. Zbyněk Lutonský Pedagogický vedoucí práce: Ing. Vladimíra Hlaváčková

Místo a datum zadání bakalářské práce: Kunovice, 26.8.2011

Evropský polytechnický institut, 8-7-0. Osvobození 695 7 688 04 KUNOVICE

Jozef Strišš

Doc. Ing., CSc. ředitel Ústavu ekonomiky a řízení

Oldfich Kratochvil

Ing., h. prof., Dr.h.c., Ph.D., CSc., MBA

rektor



I would like to thank Mrs. Vladimíra Hlavačková for the very useful methodological
assistance which she provided for me during the preparation of my Bachelor Thesis.
Kunovice, 2012
Daniela Karasová

# **Contents:**

I	NTRODU	JCTION	7
1	THE	ORETICAL BACKGROUND	10
	1.1 T	THE KONCEPT OF MANAGEMENT AND HUMAN RESOURCES IN THE ENTERPRISE	10
		SOME VIEWS ON LEADERSHIP IN THE 20TH CENTURY	
	1.2.1		
	1.2.2	School of Human Relations	
	1.2.3	Theory $X$ and Theory $Y$	
	1.2.4	Theory Z	14
	1.2.5	Management of Bat'a	15
	1.3 L	EADERSHIP	
	1.3.1	71 7 8	
		Management control styles	
		THE NEEDS AND MOTIVATIONS	
	1.4.1	$\mathcal{I}$	
		People motives	
		EVALUATION AND REWARDING EMPLOYEES	
	1.5.1		
	1.5.2	Criteria for evaluation of employees	
		EMPLOYEE EDUCATION	
		TYPES OF ORGANIZATIONAL STRUCTURES	
	1.7.1		
	1.7.2	Crew organization structure	
	1.7.3		
		ANALYSIS OF BUSINESS ENVIRONMENT	
	1.8.1		
	1.8.2		
	1.8.3	The overall environment – SWOT Analysis	30
2	PRES	SENTATION OF COMPANY KONFORM – PLASTIC LTD	32
	2.1	ORGANIZATIONAL STRUCTURE OF COMPANY	34
		THE VISION, PHILOSOPHY, MISSION AND COMPANY POLICY	
	2.2.1		
	2.2.2	The philosophy of company	35
	2.2.3	Company's vision	35
	2.2.4	Company policy	35
3		SERIES OF THE COMPANY'S PERFORMANCE OVER THE PAST	2.0
ľ		ARS	
		ANALYSIS OF INCOME	
	3.2 A	ANALISYS OF PROFIT	39
4		LYSIS OF INTERNAL, EXTERNAL AND OVERALL BUSINESS	40
Ľ		NMENT	
		ANALLYSIS OF INTERNAL ENVIRONMENT	
	4.1.1		
	4.1.2		
	4.1.3	· · · · · · · · · · · · · · · · · · ·	
		ANALYSIS OF EXTERNAL ENVIRONMENT	
	4.3 A	ANALYSIS OF OVERALL ENVIRONMENT	48

	1 SWOT analysis of the overall environment	48
	LASTIC LTD. 54  6.1 TOP MANAGEMENT OPTIMIZATION 54  6.2 OPTIMIZATION OF ORGANIZATIONAL STRUCTURE 56  6.3 OPTIMIZATION OF MOTIVATION SYSTEM 56	
5.	SWOT ANALYSIS OF PERSONNEL MANAGEMENT	51
	1 Strenghts of the company	52
	$\Gamma\Gamma$	
	4 Threats	53
MAI	GEMENT AND MOTIVATION IN THE COMPANY KONFORM -	
6		
6.4		
6.5	EDUCATION AND TRAINING OPTIMIZATION	61
7	PLICATION OF THE PROPOSED OPTIMIZATION TO PRACTICE	62
7.	THE INTRODUCTION OF THE MOTIVATION SYSTEM	62
7.2	CREATING THE PERSONNEL CREW	63
7.5	CREATING A TRAINING SYSTEM AND TECHNICAL TRAINING CENTRE	66
RAT	G OF COMPANY	71
ABS	AKT	72
5 SWOT ANALYSIS OF PERSONNEL MANAGEMENT IN THE COMPANY KONFORM - PLASTIC LTD.  5.1 SWOT ANALYSIS OF PERSONNEL MANAGEMENT.  5.1.1 Strenghts of the company.  5.1.2 Weaknesses.  5.1.3 Opportunities.  5.1.4 Threats.  6 OPTIMIZATION OF PERSONNEL MANAGEMENT, HUMAN RESOURCE MANAGEMENT AND MOTIVATION IN THE COMPANY KONFORM - PLASTIC LTD.  6.1 TOP MANAGEMENT OPTIMIZATION.  6.2 OPTIMIZATION OF ORGANIZATIONAL STRUCTURE.	73	
BIB	GRAPHY	74
LIST	F ABBREVIATIONS	76
LIST	F FIGURES, GRAPHS, TABLES	77
LIST	F ANNEXES	78

#### Introduction

Each company formation is dependent on several important sources. The cornerstone for the development of an enterprise is its intangible resources as an idea or know-how. A necessary resource for the establishment and development of a company is its financial resource. This capital is added to the material resources into assets which are needed to run the business. Maintaining a well-functioning and prosperous company is dependent on one of the important resources which is human capital.

Investment in human resources is ignored and considered as unnecessary today. Management of companies often choose the strategy "rather replace than keep". Investment in human resources may not to be so high and can save large financial losses in the training of new staff.

Investment to human capital really is not easy, and perhaps it is one of the reasons, why business owners invest in these resources as little as possible. Investing to employees is nowadays becoming more complicated not only for financial but also social reasons. People have the choice of a large number of like-minded companies today and business owners are afraid that they invest to training employees, who after completion of all the required training leave for a better job offer or for a better pay scale to a competitive society. There is also no guaranteed procedure to how managers can invest and motivate employees. Every person is different and we are never able to please everyone, because today more than ever, people have diverse needs and expectations. The process of determining how a motivation system is suitable for someone is very lengthy and in most companies there are no options to carry out these surveys, because there is no qualified person to evaluate and analyse these surveys. Still, some sophisticated system of investment to human resources is very important and can prevent and avoid unpleasant situations.

Management of companies should be aware of their goals and they schould achieve their profits mainly through their employees, so that investment in these resources will be returned many times.

Investing in human resources is routinely provided by personnel department in companies, or personnel management, which also provides for the smooth running of the company in terms of the employee's satisfaction and motivation. In some, usually smaller companies, the personnel department could not find a full recovery. Such enterprises are involved in personnel management only in term of hiring and discharging employees. But there are alternatives that can be used until it will be necessary to establish a personnel department in the company. The company can take the help from external consultants, take trained HR specialists on as part-time jobs, or alternatively employ them him in several other activities, including both personnel and business assistant for example. The need of personnel management should not be underestimated, whether it will be in the company working in any form.

Motivation is very important factor in both the work and personal life of people every day. Increasingly it happens today that people are unmotivated and without energy. Prior to their superiors they exalt salaries and better working conditions in competing companies or in foreign counties. In the event that their superior can not explain these differences and inspire them to work in the company at the existing conditions, the only consequence is disregard for the work, unwillingness to understand and improve the problem. In these cases, the work of an incentive manager or head is very difficult, but more important and more necessary. A motivated person is an important benefit for the company because he knows where his place is, why his function takes in current conditions, what he is responsible for, where the company is going and what his function contributes to the company.

The Bachelor Thesis is developed precisely because of misunderstanding the importance of personnel management and motivation of employees in companies.

The aim is to analyze HR management, human resources and motivation in a particular company KONFORM – Plastic Ltd. and subsequently to propose the optimization of the current proceedings. An important measure of success is by optimizing the calm unpleasant atmosphere among the rank and file employees of company, ant the impaired performance and conviction of abandoning the establishment of trade union. This performed optimization will also aim to bring top management closer to the employees.

The first chapter describes the theoretical background. The chapter explains the concept of personnel management and its importance for the proper management of people. It explores the views of the leadership during the 20th century from a mechanical approach, through the school of human relations and humanistic school, to present opinions. It also deals with a good manager, his personality, motivation factors and the training of employees. The thesis is based on the optimization of personnel management in the company KONFORM – Plastic Ltd. This chapter also explains the principles and methods of analysis utilized in the evaluation of internal, external and overall environment.

The second chapter presents the foundation of the company, the effect on the market and expansion. It describes the business activities and shows fault data during the years of the functioning of the company. The organizational structure of the company its vision, philosophy, mission and company policy is described here.

The third chapter is developing a time series of the company over the past five years. It reports sales and revenue analyzes show how the company has been in business over five years, whether there are large financial gains or decline.

The fourth chapter carries out analysis of internal, external and the overall environment of company. Analysis of internal company profile shows where the company is now, and where it wants to get in the future. Further, there is an analysis of internal environment evaluated research which was carried out among employees. The external environment is analyzed using PEST analysis, which analyzes the effects that the company influenced market in this segment. The overall environment is studied by using SWOT analysis.

The fifth chapter deals with the weaknesses, strengths, opportunities and threats of personnel management.

The sixth chapter is based on analyzes, and with the help of the theoretical base, it developes the proposal for the optimization of the current personnel management, human resources management and employee motivation.

The seventh chapter then describes the proposed optimization applied in practice.

# 1 Theoretical background

There are a lot of views on humans resource management. The ones which have been already tested by world-known managers working in big, world-wide companies, or the others proved or by those not so famous or absolutely unknown managers or officers. The second ones usually work in middle or small companies where they adjust theories of the famous managers to the reality in their companies.

It could be assumed that during the long period of dealing with personal management there have to be the right and certain way of managing and motivating of employees. Just to apply it in reality. Unfortunately it is not that easy and there is not any really right instruction, which could be used in same way in every company for each of employee. Managing and motivating have to be as individual as possible in each company. Of course, it is allowed to use a variety of shared management and motivational elements, but ultimately every manager or executive must focus individually on the society and on each personality. According to this they have to choose a way of management and motivation which would fit the most to their society and environment.

# 1.1 The koncept of management and human resources in the enterprise

Specifying the term management is nowadays very difficult, because every company understands it according to their own preferences. Generally, management is an organized set of knowledge according to certain criteria. These terms are usually discovered by practice and are presented in the form of instructions for dealing of managers at various management levels. Management relies on findings from multiple scientific disciplines such as economics, mathematics, psychology, sociology, etc. These he applies and further develops on the driving conditions. [1, p. 11]

Personnel Management, on whose importance the whole thesis is based, is in practice and literature also interpreted in several ways. The latest personnel management concept is called a human resources management. Often there

is no distinction between these terms. Definitions, however, will make it easier to understand these important processes.

It is a personnel management which is used for most general designation of this activity. On the other hand, human resource management is characterized by development level and the concept of personal work. This procedure includes all the necessary measures to achieve business objectives through human resources. More and more the specific personnel work is delegated to managers at all levels, and human resource management is the everyday part of their work. In modern-controlled enterprises the personnel works are the backbone of the whole company management.

The main tasks of personnel management are for example:

- search for connection of the worker with the work tasks
- optimal use of company staff
- formation of working groups
- effective way of leading people
- healthy interpersonal relations
- personal and social development of employees
- observance of laws concerning labour, employment and human rights [2, p. 15 17]

#### 1.2 Some views on leadership in the 20th century

With the development of technology and industry at the turn of the 19th and 20 century turned interest of entrepreneurs and managers to reserves in the performance of people and effectiveness of management. Searching for reasons of lower performance of employees followed by emerging philosophies of leading and views on managing people, there are offered several monitoring phases of this problem in the 20 century. From a mechanical approach (scientific management), through the human relations school (Elton Mayo) and humanistic school (theory of the "Y"), to present opinions (eg theory of "Z").

Scientific management understands human mechanically like a machine, whose task is to perform well-defined movements. In the fifties and sixties, the attention of managers

is beginning to focus against the traditional view (Taylor, etc.) on new ways of managing people, the so-called humanistic theories that, in spite of motivating people through the massive system of rewards and sanctions, underline the importance of personal development, self-fulfilment, independence and full life. Beginning of the 70years loss of clear economic leadership of the United States and the rapid rise of Japan Aeole in western countries huge interest in the Japanese approach to management. There are efforts to transfer elements of Japanese management into western conditions, but given the vast cultural differences, these efforts have been first a very problematic. Later, the Japanese elements were adapted to the western conditions and applied in modified form in the management of European companies. [3, p. 6 - 8]

#### 1.2.1 Scientific management

The founder of scientific management was Frederick Winslow Taylor (1856 - 1915). He was among the greats in management in the Classical period and represented the classical school of management. He tried to understand what causes the difference between the performance of good and bad workers, closely watched and recorded their movements at work and found out that the worse workers do a lot of unnecessary and inefficient movements, which he tried to eliminate after He that used a technocratic approach and placed a high emphasis on standardization and ergonomic movements. For determining standards he counted the best performance, not average. An initiative of the workers on the changes, according to Taylor's side, is undesirable. He claimed that the worker must clearly know what to do and how to do it while having the standard equipment and material. That's the only way to consistently maintain high performance. He has motivated employees to higher performance through piecemostly hourly wages). Responsibility was noviny wage (in Taylor's time were used to the managers. Taylor used to say to the workers, that they are not expected to be thinking, because there were others to be paid for thinking in the company.

By implementation of the Taylor system there was almost always an enormous increase in labor productivity, but on the other side dull and mechanized work was for many people uncomfortable and exhausting. Employers using the Taylor system had to deal with the significant growth in wages because of leaving people for other jobs offered in the labor market.

Scientific management was implemented for example in the Ford factories. This system was also admired by Lenin. Elements of scientific management are nowadays used mainly for training top sportsmen and also for automatization of the production process. [3, p. 3 - 4]

#### 1.2.2 School of Human Relations

The founder is considered to be George Elton Mayo (1880 - 1949), who brought in the twenties of this century new ideas in management theory. Together with collaborators he pointed out the importance of social relations and job satisfaction for of the organization and performance of staff. He improving working conditions leads to an increase in labour productivity. He was creating a relation of trust, sanctions have been forgiven and it from staff was required responsibility. This school teaches how the managers should treat their subordinates, noting them and taking care about them and their problems. These ideas spread quickly in the U.S. and Europe, but in European countries, instructions for the "throwing the subordinates on the shoulder" did not succeed that easily as in America. [3, p. 4 - 5]

#### 1.2.3 Theory X and Theory Y

Douglas Murray McGregor (1906 - 1964) is the author of Theory X and Y in the area of motivation. He studied views of managers concerning human nature, his work motivation and the corresponding way of managing people. He characterized the current prevailing view of managing people in organizations as theory X. He himself was rather a follower of the Theory "Y", but it turned out that for certain employees and under certain circumstances, is the approach of the "X" more appropriate.

Theory X states that people are by its very nature lazy and that they try to avoid work. Therefore they have to be forced to work using the system of rewards and punishments and that at work they have to be controlled. According to this theory, employees avoid responsibility and are rather to be managed. A small group, which

concerns this not, are the ones who are there only and exactly for the reason of managing and controlling the others.

Against this traditional concept, this is quite pessimistic towards the work ethic and human effort, built McGregor humanistic theory Y, based on the confidence of people and their positive attitude to work.

Theory Y believes that work is just as a natural human activity as an entertainment or recreation. People like to accept independence and responsibility, but unfortunatelly, the organizations do not take advantage of that [3, p. 5 - 6]

#### **1.2.4** Theory **Z**

William G. Ouchy (1943) compared the different culture of American and Japanese organizations. He called the American management philosophy the theory of A and Japanese approach the theory of J. In both approaches, reflecting different national cultures. Finally, he tried to combine the main advantages of American organizational culture and Japanese culture and create new approach - Theory Z.

	theory A	theory J	theory Z
Employment	short	term	<u>short</u>
Decision- making	individual	consensual	<u>consensual</u>
Responsibility	<u>individual</u>	collective	individual
Promotion	fast	<u>slow</u>	<u>slow</u>
Controle	external, formal	<u>internal</u>	Internal, informal with formal level
Carrier	specialized	unspecialized	partly specialized
Employee	as an employe	as a person	as a person

Table No.1: Theory "Z" Source: [3, p. 7]

An interesting thing of the Japanese is that unlike Americans and Europeans, they are taking up a job for the rest of their life and generally they do not change their employer. In case that employer needs the employee to change his position or profession, it is not a problem for him. In Japan, decision-making parts are collective issues. On the other hand in Western countries it is not any problem for employees to change their jobs every time there is a better job offer. They stick more to their specialization and they are trying to decide individually. The combination of team decision-making with individual responsibility is the most important element of the theory of "Z".

Traditional Western external system of controlling and motivating through system of objective monitoring and subsequent rewards and sanctions, are less effective than the strength of duty, which is the main stimulus for the Japanese. It would be desirable to motivate Europeans "from within". For them, however, internal motivation does not cause with such intensity. Therefore it's necessary to complete it with an appropriate way of external control, especially on the quantifiable results of the work. [3, p. 6 - 8]

#### 1.2.5 Management of Bat'a

Tomas Bata (1876 – 1932) was indoubtedly one of the greatest entrepreneurs of his time. He introduced many new ideas in production and sell his products, which could affect the future thousand managers. The procedures and technologies were the then business revolutionary and are still used in top management worldwide. For his company could build a city of Zlin and the area in which now reside company KONFORM – Plastic Ltd.

Bata system of management we mean the sum of methods which have been in the copany Bata in the 1<sup>st</sup> half of the 20<sup>th</sup> century gradually developed and implemented. At present is Batas management in interest of many entrepreneurs, academics and ordinary people who are looking for inspiration for their activities.

What is based Batas control system?

- from objective operating economic laws
- from a recognition, that main peoples motivation is not money, bud above all human self-realization within the team
- in addition to work, the company offered education, accommodation, meals, number of services, possibilities of cultural and sports activities, health service

Tomas Bata well knew that its system could work, when his employees be educated, hardworking, and morally high and with good relationship with other collegues and company. Therefore, a company from the beginning to pay attention upbringing and education of young people to that they developed a loyalty to the company.

The Industrial Relations ruled a degree of equality. Of course that the executives head had in relation to subordinace full authority in decision making. The duty of manager was able to search qualified workers and educate ones for himself at least two equivalent substitutes. Conflicts have to be solved with the participation of the personal officer and very quickly. During the conflicts people could discuse, opposing, bud once the leader decided it was no longer any space for discussions and the staff again hat to be good and reliable employees. Despite the fact that people had a degree of freedom, historical records shows that in the workplace practiced dictatorship, evidenced by the Famous Tomas Bata password: Freedom ends at the gates of the company. [5, p. 34]

# 1.3 Leadership

Is clear, that the views of the management of people are varied and varies vary will be continue. Over the years, formed the general requirements for personality profile manager and general information about management styles, what managers the most choose to work in his office. Not guaranteed to say that every manager who joins functions chooses management style from theoretical handbooks and according such leadership style governed employees. Any good manager should be able to vote style of management under the situation that occurs in the enterprise. It is for these reasons, are for the personality of the manager placed great demands. Initially, people believed that a person must have

been born a great leader. Over time, mentioned theories have shown that a good leader cpuld be learn. [3, p. 13]

#### 1.3.1 Personality profile Manager

Despote that the manager is the only human being and employee, it shall be placed far greater demands than his subordinate colleagues. His personality should be characterized by intelligence, empathy, temperament and charisma. Communication skills should be at a very high level. The manager should have a high commitment, productivity and efficiency. What is important is resistance to mental stress. The manager should focus on the top results, build competitive advantage, he should be able to react quickly and flexibly to change. Thanks to these abilities and skills of the manager is able to lead a team of subordinates and have the desired results. On his personality is also placed several other requirements, that are not decisive in the selection process, but if the manager meets these requirements, it is a big plus.

Other requirements that are placed on the personality profile of manager:

- creating an effective performance of motivation system,
- use of modern methods, tools and technology management,
- the use of modern information and communication technologies,
- empowerment of employees to act independently according to their abilities,
- support for talents and strong personalities, team building and promoting teamwork
- emotional intelligence. [1, p. 358-359]

Despite all the professional and technical profile of manager, must manager be able to relax and enjoy time to relax, to avoid the burnout. Rest is also in a manager life a very important aspect and should not be forgotten to become competent, but the annoying part of company.

#### 1.3.2 Management control styles

Management control theory distinguishes five main styles that managers in their management generally hold. These styles are named according to the main personality traits of manager. When managers choosing a style that they will use in company, it is need to consider several aspects. It is important to distinguish whether a manager leads a team of sales representatives, or team of workers. It is important to know the objectives of company. That managers could well lead, must know where to lead his team. Finally, the manager must know their subordinates, and very good to know, to know what style to them will pay the most. The selection of the management style is very important, but it does not hurt to occasionally change tactics and different management styles turns between.

- The authoritative style is based on a unilateral decision by superior in form orders
  and their fulfillment, distinguished by the austere, formal way of dealing with
  subordinates, including continuous monitoring of their activities.
- The democratic style is characterized by cooperation with subordinates with natural authority. However, it leaves scope for their own decisions.
- In the liberal-style are activities of subordinace the least influence by manager, avoiding unpopular intervention, criticism, sanctions, risk, and a lot of important decisions left to subordinates.
- At that a consensual style is any major decisions conceived in conjunction with a team of collaborators, which operates manager more in the role of moderátor, who is trying to bring the discussion to accepted conclusion by all. This is called consencus. This is based on the objective, which is determined by the supervisor.
- The cooperative style is itself formulations of goals define by workers team, who together are seeking ways to meet and evaluate their own performance. [1, p. 367]

#### 1.4 The needs and motivations

Needs are defined as certain shortcomings of something what human considers as important. In order to get people back into balance, it is necessary to satisfy their needs.

Needs are a fundamental element of motivation, and if teams manager will need to know their subordinates will have an open door to the successful motivation of employees.

Motivation is defined as a set of internal factors that encourage people to work. The key concept of motivation is "motive." Motivation is divided into external and internal. At that external motivation dones stimulus from outside, such as cash bonuses. At that internal motivation is motif contained in the actual performance, when the task is in itself interesting and employee has an interest in the problem sort out. [3, p. 39-40]

#### 1.4.1 Maslow's hierarchy of needs

Satisfying by human needs dealt with Abraham Maslow, who tried to organize these needs and reveal their principles of action. Maslow identified five groups of needs, and put them into a hierarchical system, which is known as Maslow's Pyramid or Maslow's hierarchy of needs

The arrangement of needs according to Maslow:

- The need for self-fulfillment (to fulfill the needs of growth and development)
- The need for recognition and awards (to be successful in the eyes of others and on this basis to be himself appreciated)
- The need for belonging, love and friendship (the desire to belong somewhere and to someone)
- The need for security and safety (manifested by avoiding everything unfamiliar)
- Physiological needs (basic needs necessary for survival, the need to eat, drink, live)

Generally, the low-lying needs are greater and at least partial satisfaction of the condition for less urgent and higher developmental needs. Maslow regarded as the highest need for self-fulfillment, which indicates human effort to fulfill their capabilities and intentions [3, p. 40-41]

#### 1.4.2 People motives

Motives are the causes of psychological reactions, human behavior and activities aimed at meeting certain needs. Themes are divided into energizing component (power supplies meeting people) and folder management (give direction pending). Because people are different, and motives of each are different. The work of managers is that the motives for their subordinates to identify and know how to properly fill in such a way that their behavior was motivated.

#### Examples of different motives:

- Money was and will be an important motive for most people.
- Personal status most executives are motivated by their status.
- Operating results are an important motivation in terms of the company. There are
  people who love their work, compete and if they fail, they are doing everything
  possible to overcome the other.
- Friendship people prefer friendship like a friendly atmosphere in the workplace.
   Much depends on relationship more than money or employment outcomes.
- Certainty people who are content with little, but it must be certain.
- Expertise such worker is trying to excel in their profession.
- Independence people who don't like someone superior above him. They want to decide everything for themselves.
- Creativity people who are happy when they can work something to create, invent new things. [3, p. 42-43]

The work of managers is in identifying motifs complex precisely that man does not influence by only one motive, but the whole set of these motives. In the event that the manager can recognize motifs that act at the behaviour of his subordinates, will be successful in their motivation, will know what is needed for its subordinate need to satisfy. In order for a correct, motivated human behavior is necessary presence internal motivational disposal of individua and stimuli that evoke the motivational response. Whether the individual has sufficient existence of internal motivational dispositions the manager can't affect, but may affect the stimuli, which invokes the motivational reaction response.

#### 1.5 Evaluation and rewarding employees

Important means for the company's is evaluation working performance of its employees. The chief executive can find out the strengths or weaknesses of his subordinate, to monitor progress in his work in time and effectively motivate them to better permances. Evaluation is an important process not only for company management, but also for the employee who by this may determine how is he perceived by company's management, in what should be improved and in what the is the other hand better than others. However, to the staff evaluation proving and effective, must be prepared consistently and repeatedly performed.

Rewarding workers very related to their motivation and continue on the evaluation. Often, managers believe that the only element of rewarding that are holding are the money. However, this assumption is in many cases wrong. Finding a mutually acceptable and effective compensation system is one of the most important factors in creating harmonious relationships in the workplace. [2, p. 141]

#### 1.5.1 Procedure for systematic evaluation of employees

In the process of systematic evaluation of employees going through several seasons. The evalution should take place regularly and should be done once an independent person to discuss the results with the manager of the team or individual. Employee evaluation is usually divided into evalution of non-operative and operative professions. Evalution by targets is used in categories of non-operative workers. Those targets must be measurable. Evalution by standards is used in categories of operative workers. To evalution assist the rating scale, which may be numeric or word. Word rating scale is similar marking as in school (excellent, very good, good, etc.). In both cases the problem is that the majority of the evaluator can not imagine how it should evaluate the exercise. Therefore it is often still requires verbal commentary for each criteria.

It is advisable to use a standardized company's form, which should include in addition to a rating scale the name of evaluate, his job title, date of evaluation, length of employment in the enterprise, space for recommending changes and signatures. [2, p. 119-121]

Three seasons in the evaluation of employees:

- The preparatory period
- The period of acquisition information
- The period of evaluation of information

In preparation period are determining objects, principles and rules of the evaluation process. Creating a form that is used for evaluation. During the acquisition of informations are collected informations such as observing employees at work, or by examining the results achieved. It is important that any collection of information was documented. During the evaluation of information is generally compare actual results with the standards of work performance or expected results of the work. This is followed by an interview with the rated officer on the results. [2, p. 117-118]

#### 1.5.2 Criteria for evaluation of employees

Well-selected criteria to compare the results of employees with the required performance. In addition to determination of the criteria must also define how much power we require for employees. The criteria are chosen by the company as needed.

Examples of evaluation criteria:

- Measurable criteria quality of work, scrap, accident rates, customer satisfaction or the number of complaints.
- Work behavior and effort willingness to accept and effort to fulfill, the tasks that the instructions, economy, management of necessary records, good attendance.
- Social behavior willingness to work, dealing with people, relationships to colleagues and customers behavior towards superiors and subordinates.
- Skills, knowledge and characteristics of employees knowledge work, physical strength, education, entrepreneurship, self-discipline, social needs, autonomy, reliability, endurance, flexibility, organizational skills, loyalty, honesty, creativity, leadership skills, a sense of personal responsibility, resistance to stress and stress. [2, p. 114-116]

#### 1.5.3 Remuneration of employees

At the mention of bonuses to employee everybody primarily present salary, financial reward for their work. At present, every company rushed the offered amount of non-financial benefits. This is to be aimed at motivating and retaining existing high quality staff in the process of recruitment, attracting high quality staff from a rival company. Because nowadays employees spend at work more and more time, require the employer more than a cash reward. A selection of benefits, out of monetary reward, is great, the important thing is just to choose the right reward system that will meet the staff and will not unnecessarily financially burden employers.

Research has confirmed that the work effort of employees increased in the period shortly before the pay period or in case of increase in wages. It would seem that the employees who have above-avarage wages are also exceptionally motivated, but it is not. It often are uses a variable wage components, so-called self-assessment, which is used to increase motivation, as the staff tries to make his personal assessment of what was the greatest.

Divideing the set of rewards:

- Cash rewards pay, allowances, personal assessment
- Employee benefits allowances for food, paid holidays, clothing
- Intangible rewards praise, promotion staff, varied and interesting work [2, p. 141]

Motivational power of cash bonuses is certainly big, but not infinite. Research has confirmed that the work effort of employees increased in the period shortly before the pay period or in case of increase in wages. It would seem that the employees what they have above-average wages are also exceptionally motivated, but it is not. It often uses a variable wage components, so-called self-assessment, which is used to increase motivation, as the staff tries to make his personal assessment of what was the greatest.

Motivational importance of employee benefits for the employees themselves are not so clear as the meaning of cash remuneration. Most of the employees about the advantages other than financial reward is not worth because they do not understand what they can bring these benefits. The choice of benefits for employees always depends on management. These advantages may contribute to increased satisfaction and employee development and to increase the attractiveness of the company externally.

Incentive rewards are intangible significance, despite all doubts, large and also the least costly. Praised or recognized employee team is more motivated than the employee who never received this payment. It is important, but this form of rewards to motivate employees only who really deserves it.

# 1.6 Employee Education

Employee education is also a good motivator, the company gets a skilled employee and a better position among its competitors. The first phase of staff training is training a newly recruited employee. Further training is important in obtaining the necessary skills to operate machines or some other kind of production management, etc. Employees can also improve out of the business such as studying foreign languages. To obtain a higher education level the employer may allow employees of university studies, this study and possibly pay.

It is always necessary to consider carefully what methods to use their employees. Are the methods appropriate to the training of new employees, some are more suitable for the Extension to the development of other employees. Some are better suited to the training manual for employees, other education staff who work the head.

Methods suitable for newly recruited employees or retraining existing staff to the most commonly used methods of education in the workplace:

- Mentoring simple and fast way to a new trainee or less experienced worker.
   Trained by observation and imitation, the process takes at work from his superior.
- Coaching longer instructing, explaining and periodic inspection of the performance of the senior worker.
- Guided trained officer is assigned as an assistant and an experienced worker to help him accomplish tasks and learn from him workflows.
- The commission task trained employee is responsible for his or her supervisor to meet a particular task, yet his work is monitored and evaluated.
- Rotate work trained worker is gradually educated in different parts of the enterprise.
- Working meetings exchange of experience, presentation of ideas.

Training in the workplace is cheap, usually an individual, brings practical experience and learning in specific business conditions. On the other hand, can reduce work performance trainers are not always suitable conditions for uninterrupted education, etc.

Methods used for training outside the workplace:

- Lectures focused on the mediation of factual information or knowledge.
- Training another method that provides more theoretical knowledge, but unlike the lectures, participants engaged in discussions.

Education outside the workplace is an effective, timely, with the possibility of exchanging experiences with the staff of other enterprises. On the other hand, this education is relatively expensive, focusing only on the theory and may not be directly applicable to the management of the business. [2, p. 136-140]

# 1.7 Types of organizational structures

Pyramidal nature of organizational structures are shaped long developmental process that continues today. Organizational structures are affected by specific economic, technological and social conditions of the area. Classification of organizational structures is not yet fully united.

The basic characteristics of the classification of organizational structures include:

- The application of decision-making powers between organizational units.
- Grouping of activities which constitute the main contents of organizational units.

According to the characteristics of the application of decision-making powers between the organizational units of the structure distinguish organizational structure:

- line (linear)
- Staff,
- Combined (eg, line staff, line staff are profit centers targeted programmatic, organizational teams, matrix, project, etc.) [19, p. 203]

#### 1.7.1 Line (linear) structure

Line organizational structure are formed as the first stage of development of departmental structures in small organizations. Here there was only one degree of control over the operation, usually the owner of the company. Linear structures have a direct, imperative power. Leader groups perform linear vertical line management. It forms the axis of the control structure (eg, plant manager, foreman, plant manager,). Line leaders have the highest authority and responsibility. Line structure is typical for a small company, to about fifty employees. In such a limit can not lead you to handle all their subordinates and must go to the next stage of the application more control steps. [19, p. 204]

#### 1.7.2 Crew organization structure

The staff departments perform mainly advisory role to protect the qualified decision-making line managers and departmental units. The staff group is made up of specialists from different disciplines (economists, engineers, HR, accounting, etc.). Staff group can be divided into individual line managers staff (secretaries, assistants, consultants, specialists and personal line managers) and senior staff engaged in operational or indirect (technical, operational) management. Knowledge of these groups of workers in their respective specialties are deep. However, they are usually smaller overview of the whole. This classification is meant that the staff organizational structure can not exist separately, but always in combination with the liner, or other functional organizational structure. Staff structure serves only as a building block in supporting organizational development company. [19, p. 204-205]

#### 1.7.3 Combined organizational structure

#### Line staff organizational structure

Line staff organizational structure usually arise when the structural unit with regular responsibilities (eg chief executive) delegates part of its decision-making powers to the structural nature of the staff units. Of the original staff departments created organizational units with semi-regular staff and the powers and partly because it is necessary to define which activities are for one or another jurisdiction. [19, p. 205]

#### The functional organizational structure

The functional organizational structure is the most basic form of organization, where employees with similar tasks, skills or activities included in one group. The idea of functional structures is a group of workers who work on similar tasks in one business segment. The entire sales staff is located in the marketing department, all technical engineers in R & D department, etc. The functional structure is very common in medium-sized enterprises, because they have the highest performance in the production of a small number of products and high level of specialization. The functional structure tends to centralize decision making at highest level of the enterprise. The decision to coordinate activities in each section based on the highest levels of business. Top management also plays a role in addition to another researcher disputes that may arise between the Director of interaction sequences. Essential features of the industrial business (which handles a product) include production, marketing, finance, accounting and HR. These activities are necessary to create, manufacture and then selling the product. [19, p. 214]

#### **Product organizational structure**

Many large companies are diversified by product sectors (industry, question) specializations. This means that all management activities are grouped into one organizational unit (department, center, department), which is responsible for one type of product (manufacturing industry, a set of related products in the same range of products) and is governed by a manager. [19, p. 217]

#### Other functional organizational structure

Their final destination or critical aspect classification is determined according to such customers (customers), in determining the territorial production (sales, according to suppliers group of countries), according to the diversity of technological processes, but also their mutual combinations of the mixing sections due to the reorganization of the company. [19, p. 218]

#### Strategic business units

The aim of a number of large companies is to increase the autonomy of individual business activities in manufacturing, but also non-manufacturing industries. The management company is trying to decentralize management in areas that require particular knowledge of specific conditions of production, sales and business collateral. The mission of SBU

(Strategic Business Unit) is focused on quality, proactive and fast autonomous business providing manufacturing business in specified fields. [19, pp. 222-223]

# 1.8 Analysis of business environment

When the need for an objective assessment of the state internal and external environment can be used several analyzes to management of the company was able to assume the development strategy targets the enterprise. For each company is very important to properly address and analyze the environment in which it is located and that it acts with varying intensity. Thanks to these analyzes the company can adapt to any changes, or make the right decision to select the further development of business strategy. [7, p. 39]

#### 1.8.1 The internal environment – Analysis of internal company profile

The internal environment of the company consists of company resources, which may be material, financial or human. When analyzing the internal environment with focus on assessment of quality management and its employees, organizational structure, business culture, interpersonal relationships, ethics and material environment. Further analysis of the internal environment consists of the evaluation of the implementation of strategic business objectives, financial situation, manufacturing operations, engineering and technology within the company, marketing, sales, scientific research resources, human resources, levels of management and organization of work, company infrastructure, image and goodwill firm assessment of the strengths and weaknesses of the instruments of marketing mix.

Analysis of internal company profile is based on the evaluation of selected parameters in the present and future expectations on evaluators predefined evaluation scale. The company can easily be traced, as it stands today, where it wants to lead and whether the results achieved in the required time. The assessment diagram, each manager very well versed and can track the desired results. It is important to complete the chart expert commentary, which will include a justification and explanation of selected criteria and justify why it should be expected to change. This analysis shows how the company is

"healthy," what chance has a company in transition to a new position and opportunities realized through what needs to be improved. [7, p. 39-40]

#### 1.8.2 The external environment – PEST Analysis

By analyzing the external environment we find out how the company is in a given market segment, whether it is competitive and is able to identify potential customers. Using PEST analysis, the company can realize political, economic, social and technological factors that affect the environment outside the enterprise. The reason for the implementation of PEST analysis can be the realization of large projects such as entry into a market, build factories, expanding to other countries, or even introduce a new product or investing in the company. PEST analysis should build on the greatest number of independent facts obtained from the government, central banks, statistical office, etc.

Analysis of the political environment is primarily concerned with the stability of the political scene (how often they change the government), which has a direct impact on the stability of the legislative framework (restrictions in business, employment conditions, etc.). The main attention is all the essential laws and important proposals for the area where the company operates.

The economic environment is particularly important for estimating labor costs, to estimate the prices of products and services. In this part of the analysis pursued questions of taxes, duties, currency stability, interest rates, questions of business cycles, macroeconomic indicators, specific market focus, etc.

Analysis of the social environment is particularly important for companies doing business in the retail (sales to final consumers). Addressed in the demographic characteristics, lifestyle trends, ethnic and religious issues, but also the area of media and their influence, perception of advertising, etc.

The technological environment, the analysis deals with issues of infrastructure (transport), the state of development and specialization of industry, science and research, intellectual property, patents, industrial control, ecology, etc.

However, it is necessary to analyze all the factors. PEST analysis should be focused on the customer and give an overview of future opportunities or threats to the enterprise. [7, p. 44]

#### 1.8.3 The overall environment – SWOT Analysis

SWOT analysis is an analysis of strengths (strengths) and weaknesses (weaknesses) pages and business analysis opportunities (Opportunities) and threats (Threats) company, helps simply and clearly evaluate the performance and prospects of the company. SWOT Analysis company simply based on the assumption that the company achieves success by developing strengths and opportunities and minimize weaknesses and threats. This analysis assesses the overall business environment, precisely because the internal profile of the company are focused strengths and weaknesses in the external environment of the company concentrate opportunities and threats.

The strengths of the company as a good performance of the company as a growing trend in sales and profitability, good capital structure, good liquidity, low interest and claims nezhodnocených or supplies. Further specifics of the enterprise as a modern low-cost production, position the company, a good distribution network, competitive advantage. Quality management and employees of the company, well set up incentive programs, marketing company - a good market position, brand image and product / service, customers, effective investment in product development, patents.

Weaknesses as poor performance of the company as a lack of money for investment, poor relationships with suppliers, banks do not want to provide additional credit, bad debts and inventory management. Further specifics of the enterprise as inefficient production, poor location of the company, outdated production methods, high energy consumption, wage demands over the competition, disturbances in production. Poor management and inefficient performance of employees, high staff turnover, inexperience, inadequate training system. Weak marketing company - poor quality products / services, poor reputation, passive approach to the customer.

Business opportunities as opening a new market, acquiring new customers, competitors use issues, development of other sales channels, improved logistics, changes in business environment - taxes, duties, restrictions, subsidies, EU funds, economic trends and trends

in society, the emergence of new technologies, manufacturing processes, materials, change in market segmentation.

Threats of loss of business as a major customer or supplier price increases from suppliers, strengthen competition, entry of new competitors on the market, price wars, the departure of key employees, reduction of bank financing, lease termination, the extreme increase in rents, inadequate protection of intellectual property, changes in business environment - taxes, political stability, unemployment, interest rate developments, social trends, changing consumer behavior consumer, the emergence of new technology, declines in consumption, etc. [7, p. 58-60]

# 2 Presentation of company KONFORM – Plastic Ltd.

Name of company: KONFORM – Plastic Ltd.

Address: Šedesátá 5576, Zlín, 760 01

Tel.: 577 523 183

E-mail: konform@konform-zlin.cz

Flunder/ Director: Josef Skopálek

Types of business: Machining tools, locksmith's, production, business and services

Legal form: Limited liability company

Important dates in the company KONORM – Plastic, Ltd.:

• 1991 – Founding of the company as PP

• 1993 – Expansion of company

• 1998 – Accounting in double-entry bookkeeping

• 2001 – Entred in the Commercial Register

• 2001 – Acquisition of ISO 9001

• 2002 – Moving the company into one leased building (production + administration)

• 2005 – Acquisition of ISO/TS 16949

• 2006 – Establishment of a limited liability company

• 2010 – Moving company in its own building

Foundations of the company laid the current executive as an individual in year 1991. He founded the construction office of injection molds for plastics and aluminum, pressing and cutting tools, hydraulic systems and accessories for injection machines. In year 1993 the company was further expanded to the production of injection molds, testing room and manufacturing of plastic parts. The entrepreneur has decided since 1998 voluntarily accounting in double-entry bookkeeping for more meaningful ability and transparency of revenues and expenditures, the state of assets and liabilities. In 2001 he enrolled in the Commercial Register. The company won new possibilities of cooperation with large companies such as Skoda, Magna, Eissmann, etc. To ensure the satisfaction of all its customers, the company began to build a quality system and in year 2001 certified their entire production range accordingt to ISO 9001 (see Annex No. 1).

In the year 2002, it managed to rent a larger manufacturing and administrative facilities and the company could move into this place. So far the company had two establishments. Production in establishment near the town of Zlin in village Štipa. Construction and management of company in the administration building in Zlin. This move meant the exceptional financial costs, but to the future has proved a good investment. At this time, the company also began to focus on mass deliveries for the automotive industry, and therefore it was necessary to obtain ISO/TS 16949 (see Annex No. 2). This certificate according to new and more stringent requirements the company acquired in the year 2005. Because the company was gradually expanding and gaining new contracts, especially in the automotive industry, was the business on the basis of a trade license for both entrepreneurs and large companies risky. The owner then decided to establish a limited liability company and to the company put all its assets in mid-year 2006, the newly combined company. The company hence called KONFORM – Plastic Ltd. The new company became the legal successor of the business of trade license and without any interruptions in production continuously pursue its business activities.

In the year 2008, Zlin region began to develop a project to revitalize the former Bata's compound Svit, which the company had a very negative impact. Buildings that the company had leased since the year 2003, with the possibility of future redemption, should be within the project of Zlin region partly demolished and rebuilt. The decision of Zlin Region came just in the global economic crisis, which meant the company an even greater crisis. Yet the owner was able to both crises cope. With loan took their own property, to which the company moved in August 2009.

A brief section of the development of company is clear that as the sole owner without the foreign capital during his business had to face not only the planned investment. Unfortunately the company no longer had sufficient available funds for development of personnel management and training og human resources.

The company has currently 122 employees working in departments of plastics, forms and administration. [28]

#### 2.1 Organizational Structure of company

The company used the functional type of organizational structure. Top management consist of the owner the company, which has the highest decision-making power and aolso works as a researcher disputes between the respective heads of sections. The owner of the company has two assistants, which also leads running the sales department. Economic department is headed by chief economist of the enterprise who has an assistant accounting. To chief economist is responsible payroll accounting, operational accounting from department of plastic, operational accounting from department of form, cost accountant from the department of logistic. Division of quality is responsible to manager for quality. To manager for quality is responsible technical field inspection of plastics and technical inspection of forms. Section of evolution is responsible of principal constructor. The section forms lead manager who is accountable to the owner of the company (top management). Plastic division leads the manager, who is agait the responsibility of the owner of the company. [28]

## 2.2 The vision, philosophy, mission and company policy

The KONFORM – Plastic Ltd. is a medium size company, which focused mainly the quality and speed of their work and also understanding the customer. This also follows the vision, philosophy, mission and policy of the company.

#### 2.2.1 Company's mission

The company's mission is to provide its customers komplete services from project design, development, production injection molds and subsequent pressing. They do all for absolute customer satisfaction with a perfect understanding and quick response to change. The company's aims are also to implement and support all activities associated with the production and sale of plastic products to become a stable and reliable partner economically strong companies. [28]

#### 2.2.2 The philosophy of company

The copany wants to create a strong corporate culture that is based on a single idea and supporting the efforts of all employees. Each employee must be honest, kind, dedicated, efficient, loyal and respekt their colleagues as well as their superiors. Participation in teamwork will achieve duality customer service. [28]

#### 2.2.3 Company's vision

The copany is trying business activities to achieve lasting stability in the market aminy competitors to ensure the prosperity of the copany and to attract and retin the trust of both its customers and in its employees. The company prides itself on the quality of the work, performance and accountability for their results.

The company has over the next few years aimed at not only keeping their existing customers but also attract new customers with new projects that are active for this company challenge. The company also wants to focus on investing in their staff development and new technologies. [28]

#### 2.2.4 Company policy

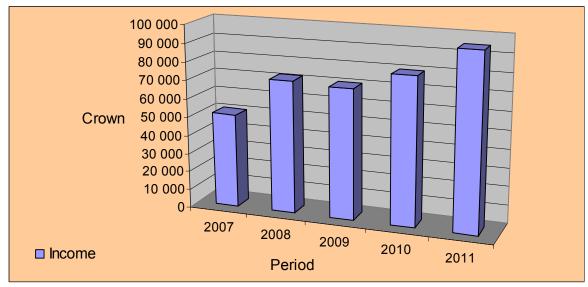
The company prides on constantly improving the duality of its produkt and services, processes and development to the maximum satisfaction of customers. Company's business is conducted in accordance with applicable laws and regulations. Key issues in the field of quality and self-development companies are dealt with pre-set objectives. [28]

# The series of the company's performance over the past five years

The activities of company KONFORM – Plastic Ldt., is just like any other business activity, geared to profit. For this reason it is necessary to be able to predict how the company will become in the future development in order to effectively use its funds for its growth. By analyzing the time series of the company, we can get a quick idea of the nature of the process that follows this line and thus determine how the company is in the selected criteria.

## 3.1 Analysis of income

Lists of selected evaluation criteria of the company management will show us how the company is on business for five years, whether large financial gains or declines. Individual numbers were recorded in charts for easy orientation in the results.



Graph No. 1: Revenues from own product and services

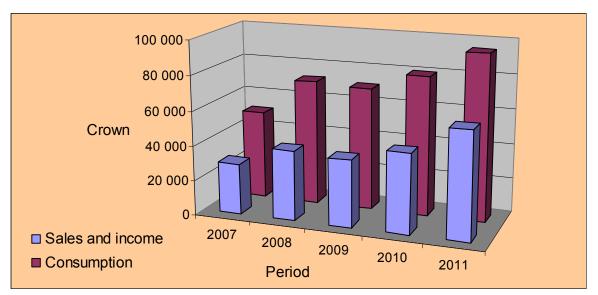
Source: [29], own elaboration

The development of total revenues for the five-year period evaluated it is clear that the company was from 2007 until 2008 in a stable economic upturn. From the year 2007 to year 2008 was increased sales by more than 60 %. This large increase was due to complete any unfinished orders of company.

In the year 2009, revenues decreased by about 3 %, which was caused by the global economic crisis which hit quite a few companies that produced directly or subcontracted for the automotive industry. Production was decreases and purchase of products, which recorded a reduction in company revenues. The company also spent a period of greater financial means to buy their own property. In mid of year 2010 the company moved into new premises. When moving there should be disruption to customers, which were managed by frontloading. The "crisis" thanks to withstand manufacturing for customers outside the automotive industry. In subsequent years, is again seen revenue growth of between 13-20 %.

These facts indicate the abundance of customers and orders, which enable the company healthy and natural development. The company is due to its history and enough competitive procurement and is able to survive in a competitive environment. [29]

The share of intermediate consumption to total sales is to express shopping and services consumed by the company itself. Consumed purchases represent the value of already purchased and consumed material, energy and non-storable supplies (eg water, electricity, etc.). Services represent the value of purchased external services (eg repairs and maintenance, travel, transportation, rent, etc.).

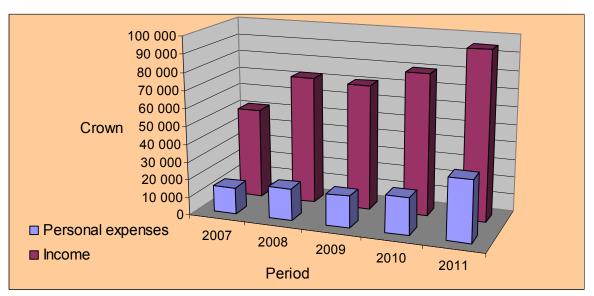


Graph No.2: Consumption share to sales and income

Source: [29], Own elaboration

From the graph we see that the power consumption of the company is around 50-60 % of total revenues. This phenomenon is quite healthy. The company's goal is,

of course, gradual reduction of the share. In the years 2007 - 2009 the company developed its economic activities in the leased premises and therefore a large part of power consumption represented payment for the rental of buildings and energy, which were due to the older buildings are very high. For this reason, the owner decided to purchase their own property, in order to reduce these high costs for external services. Since 2010, there was a slight increase in the proportion of power consumption due to moving the company into their own space, their modifications, etc. The company KONFORM – Plastic Ltd. conducted an energy audit of buildings within the grant of the ECO - energy. The result of this audit was to recommend the necessary repairs to reduce energy consumption. Reducing power requirements, while the last two years, 2010 and 2011, was not observed, but higher costs incurred in the future will have very positive impact on reducing power consumption. [29]

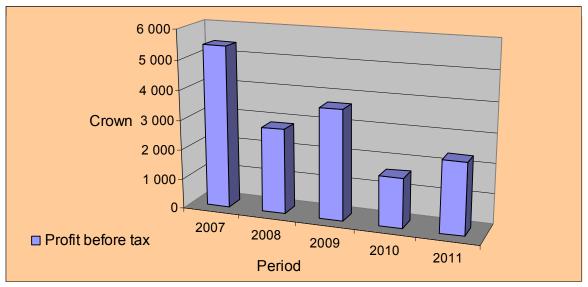


Graph No.3: Personal expenses Source: [29], Own elaboration

The development expenditure of personnel costs, it is clear that the cpmpany tries to keep these costs at the same level compared to income. In 2007, sales were low, but the proportion of staff costs against income in other years a surprisingly high. During this period although lower yields were temporarily not reduced by labor costs (wage cuts, layoffs), but triing to get new projects and increase sales again. In the years 2008 – 2011, the share of personnel costs to revenue almost equal to 2007, suggesting a proportional increase of jobs and salaries to the amount of sales. [29]

## 3.2 Analisys of profit

The aim of any company is to create maximum profit. The analysis of profit of company KOMFORM – Plastic, Ltd., is clear that the highest profits of the company reached in 2007. This year the company had a minimum investment. In subsequent years, was the development of profit rather downward trend. This phenomenon is at first glance may semm negative, as a reflection of inefficient management. However, if we take into account the fact that it was the years 2008 – 2010 were very difficult for the company for reasons of mooving (increased costs) and the impacts of the global economic crisis (reduced income), we can say that despite all these negative indicators, the company profit and not over loss. Between 2010 and 2011 affected the profits of increased costs of repairing the new building. First of all, it was a reconstruction of heating and insulation. [29]



Graph No.4: Profit before tax Source: [29], Own elaboration

# 4 Analysis of internal, external and overall business environment

Analysis carried out in company KONFORM-Plastic Ltd. intended to examin and describe the situation in company on internal, external and overall business environment. Based on analyses, it was possible to suggest necessary optimization concerning the personnel management and motivation especially, which the entire Bachelor Thesis deals with.

# 4.1 Anallysis of internal environment

Analysis of internal environment of KONFORM - Plastic Ldt. was carried out intensively for five months. Most of the needed internal documents and materials were provided by company. The analysis is focused mainly on Press-shed room department which includes most employees and where the most problems were arising during evaluation period. This department also showed zero motivation, dissatisfaction with treatment and awareness from the management. Unnecessary missunderstandings in communication with managers arose, scrap increased. There was also an issue of trade unions establishment.

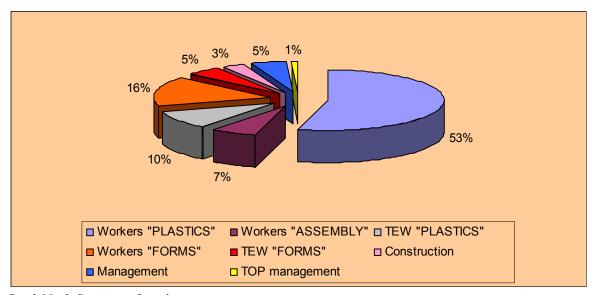
Internal company profile has been evaluated in cooperation with company management. This profile evaluates current situation and shows where the company would like to move the selected criteria on. There was a survey carried out in mentioned department using a questionnaire focused on satisfaction and demands of employees. There were two unannounced meetings with employees held together with the external observer without the participation of management. The meeting was open to discussion. Approach of the management to employees, giving over the information and motivational elements were mainly discussed.

#### 4.1.1 Structure of employees

Total number of employees of company KONFORM-Plastic Ltd. was 122 to date December 31, 2011.

Following diagram shows structure of employees, which is devided according to department and profession to Press-shed room workers (DP), Assembly workers (DM), Tool-shop workers (DF), Press-shed room administrative staff (THPp), Tool-shop administrative staff (THPf), Design engineer staff (THPk), Maintenance (THPs) and Management (VED) according to the departments and profession.

It is obvious from the diagram, that Press-shed room is the largest department. More than half of the company employees works here. There is almost 98 % of women in this department. This factor may be the presumption of bad communication and problems arising in reported resort.



Graph No.5: Structure of employees

Source: [28], Own elaboration

### 4.1.2 Analysis of internal company profile

Chosen analysis provides a picture of where the company is situated now and where it would like to be in the near future. This image clearly shows the curves of what the company has already achieved, what it lags in, what the company will stagnate in future and on the other hand what the company will develop in soon.

Personnel criteria were selected as key criteria in evaluation of internal environment of the company, personnel management, human resources management and motivation. Other criteria, not directly realated to these issues were chosen from the information point of view only.

Evaluation			Current Status			Expected Status						
100000000				weak strong			weak strong					
Cri	terior	1	1	2	3	4	5	1	2	3	4	5
P	1	Level of management										
E R S O	2	The professional level of employees								•<		
N	3	Motivation		•							•	
N E L	4	The education system		•		F						
F	5	Profitability		•							•	
N	6	Current liquidity	•<			F					•	Ħ
A N C I A	7	Indebtedness		•							•	
A L	8	Assets		•.					Ħ		•	
P R	9	Machinery				•					•	
O D	10	Technological level			•						•	
D U C T I	11	Production logistic									•	
I O N	12	Quality of flagship product										•
C	13	Input logistics			•					•		
M M F	14	Output logistics			•							
E R C I	15	Marketing organization		• <						•		
I A L	16	The level of implementation			•						•	

Table No. 2: Model example of internal profile of KONFORM – Plastic Ltd.

Source: [7, p. 42], Own elaboration

#### Management level

There are no special managing teams dealing with strategic activities in the company. The TOP management consists of the owner of course, the design office, technical assistants and head economist.

The personnel department is a major missing link. Because of its absence it was not possible to prevent unrests as there is no department dealing with complaints from employees and providing feedback.

#### **Professional level of employees**

Education demands are not crucial in filling new working positions. Of course, each profession has its own qualification requirements:

- primary education, skilled workers, workers.
- secondary education managerial staff, technologist,
- college education designer, quality manager, economist.

These requirements are not directive however, as soon as the empolyee shows good results, he can keep the job even without adequate education. Young unexperienced people, just after school are also given a job opportunity. The main criteria is the attitude to fulfill given tasks, devotion, hard work, activity and reliability.

#### **System of motivation**

The company is currently using no system of consistent motivation. There are documents available from the past that employees were awarded for extra work and accurate attendance. This system worked in company only for a short time in the past, according to the management, because of disability to implement the motivation system into practise. Monitorig of set system was too complicated for the leaders and then there were disagrements in rewarding. Disability to properly guard the amount of renumeration then led to termination of such motivation system. Now, the only effort to motivate the employees is in the form of personal evaluation which depends on the performance, scraps, attendance etc. Managers of departments supervise the parameters.

#### **Education system**

Education system is used mainly for key specialists of the management. These employees are trained in external training centers. Rank employees are trained at taking up employment by company's own qualified and skilled employees. Employees are also trained on implementation of new technologies, new manufacturing proces or product. Training in external training centers is not financially possible for quantity of ordinary employees.

#### 4.1.3 Survey results

Survey was held in evaluated problematic division – Press-shed room. This survey aimed to give employees space for anonymous expression of their point of view of the situations that happened in company. Questionnaire was devided into five units. Unit one focused on employees action in the company. Unit two investigated staff satisfaction with their salary and rewards. Unit three mapped relationships in the workplace. Unit four examined quality of information communication and Unit five targeted the education.

#### **General information**

As already mentioned, there are almost 98 % of women working in evaluated department of this company. Age of staff in this department varies. Company employs mostly workers aged 24 - 40 years (34 %). Thanks to the openness in employment of unexperienced jobseekers, a lot of graduates aged 18 - 23 years (18 %), can be found in the company. Regarding achieved education, mostly vocational certificated employees (80 %) work here as operators of injection machines. Quality staff of this department achieved a technical high school diploma.

#### **Unit One – Action in Company**

Each age group is expecting somethig else from staying in their profession. Employees aged 18 – 23 years took this job because there are not many job opportunities in the Zlin Region. They want to stay until they find a better job in another company where they will be able to develop their skills and apply their knowledge from studies. They would not resist career progress in KONFORM – Plastic Ltd. if possible. Information about such progress is not available, however. Employees aged 24-30 and 30-40 years do not plan, in most cases, leaving the job or advancement in career. They are happy with their job and they like it, actually. They are reamaining in their positions mainly because of contributing to family budgets and in order to ensure certain standard of living for their children. Only a small percentage is planning to leave the company.

#### Unit Two - Salary and Rewards

Employees of evaluated department are in 94 % working in three shifts position - Operator of injection machine. One-shift operation is performed by leaders of this department. Employees do not complain about their working hours. However, they do not like forced overtime work because of high number of scraps or careless work (e. g. because of badly

assorted or weighted products). These long hours are not paid for and are mostly held in employees time off. Rewards of free overtime hours are insufficient according to employees. Only 4 % of employees are satisfied with their salary. Rest of the employees feel completely undervaued in evaluation of their work.

#### **Unit Three – Relationships in the workplace**

Relationships in the workplace, between colleagues of the same working position, find 87 % of employees positive, and even with some of the colleagues they consider their relationship for friendship. Therefore they like going to work and looking forward to it. Employees are more sober in positive assessment of their relationship with leaders and managers. Fourty-six percent of respondents consider it as positive. Employees evaluate behaviour of leadership rather reserved and arrogant. Not even one of the employees feel motivation from the side of management. Almost 50 % of employees feel that they are poorly rewarded by their bosses and they feel aggrieved. It happens mainly when they have to complete work for colleagues of other shifts and they are then punished by reducing of personal rewards for scraps or badly worked goods, despite someone else participated in work too. Employees feel that TOP management is not well informed about these practices. They fell the TOP management does not show them enough interest.

#### **Unit Four – Obtaining Information**

According to the evaluation, in 86 %, employees have enough information from their managers so they can carry out their work properly and efficiently. In case, they do not receive necessary information from their supervisors, they know where this information can be obtained. In most cases, they obtain information from manuals, available at each injection machine. The injected product is described in the manual as well as which defects beware of, how to work the product etc. If this guide is not available, employees are not afraid to ask for information. In 35 %, employees do not have the will to find out necessary information. They consider communication necessary information as an obligation of their supervisors and if they get no information, they follow their previous experience with similar products. Information about company business operations is missing in 89 %. Employees would appreciate such infomation at least from notice boards or regular meetings. Employees would like to be more in touch with TOP management of the company and to present their interests right prior to the management. They would like to achieve this through elected representative, who would defend their interests and discuss

important issues directly with management on regular meetings, because they feel the supervisors do not share their comments and complaints with top management.

#### **Unit Five – Motivation and Education**

The largest percentage of employees (78 %) would see salary increase or other regular financial award as the biggest motivating factor. They would also welcome some sport or leisure facilities vouchers. About 28 % of employees would like be motivated by praise granted in front of their colleagues. About 6 % would be motivated by vision of more days off. Employees of evaluated department are not regularly trained and do not see the need or motivating factor in training.

## 4.2 Analysis of external environment

By PEST analysis the political, economic, social and technological factors affecting KONFORM - Plastic Ltd. company's external environment are evaluated. Factors that affect the analysis of external environment on personnel management, human resources management and employee motivation are highlighted. Therefore, they affect somehow action of the company from the external environment with impact on the researched problem of the Bachelor Thesis.

Political factors	Ekonomic factors		
Environmental protection	GDP trends		
<ul> <li>Stability of political scene</li> </ul>	Interest rate		
<ul> <li>Stability of legislative scope</li> </ul>	Inflation rate		
• Tax law	Unemployment rate		
<ul> <li>Foreign investor</li> </ul>	Lifestyle changes		
Foreign trade			
Socio-cultural factors	Technological factors		
Career expectations	Research and Development costs		
Age stratification	<ul> <li>New technologies</li> </ul>		
<ul> <li>Trademark apprehantion</li> </ul>	Patent protection		
	Automation		

Table No. 3: PEST analysis of company inner environment

Sourcej: [7, p. 42], own

#### **Political factors**

KONFORM – Plastic Ltd. is a true Czech company without the participation of foreign investors. It is not a franchise or subsidiary company of a big powerful foreign company. It works only on Czech principles and conditions. For this reason, the company does not have access to well-developed motivational systems, training programs and other benefits for employees as the companies with foreign capitals and know-how do. Nevertheless, the company tries to set working conditions for employees so they could be proud of the fact they are working for a Czech company.

#### Socio-cultural factors

Career progress in KONFORM-Plastic Ltd. is possible in engineering positions in the first place. These progresses are only influenced by studying of technical college and proffessional experiences or skills and showing interest in offered position. Secondly, the career progress is also possible in the largest group of employees - that are the workers. These employees have opportunity to reach post of technical inspeciton. High school graduate in technical field or sufficient experience is a condition. There are not enough working positions to satisfy all employees who eager to get a better job.

#### **Ekonomic factors**

KONFORM – Plastic Ltd. employs 122 employees currently. The company is actively seeking new business and creates new projects. This means, it is necessary to employ new staff and open new positions from skilled workers to higher technical and economic fields. This allows the company successfully contribute to reduction of unemployment in the Zlín Region.

#### **Technological factors**

Trend of our times – automation has affected KONFORM-Plastic Ltd. too. With this trend, it would seem that by automating the production, the company will not need as many workers and injection machine operators will be dismissed. There is no fear of this situation because of amount of contracts and because of inability to set all production to automatic machines.

# 4.3 Analysis of overall environment

Since established, KONFORM – Plastic Ltd. operates in Zlin Region. The company is located in the zone of large former Svit company, in building No. 5576. There are several manufacturing companies in the same area. None of them is focused on the same plastic and rubber production. There are several companies specialising in the same production, these companies even produce for the same clients. This facts will not endanger company KONFORM-Plastic Ltd. which is on the market for more than 20 years and has a good position among its customers and in the market too. The company has enough orders for smooth functioning, it also works in "cooperation" and gives work to its potential competitors. Orders mostly come from large multinational companies and satisfy more smaller companies which are not set in a competitive position then.

#### 4.3.1 SWOT analysis of the overall environment

Strenghts	Weaknesses				
<ul> <li>Good business management</li> <li>New contracts</li> <li>Investment in technological development</li> <li>Energy audit</li> <li>Qualified management</li> <li>Modern technologies</li> <li>Long tradition of business</li> <li>Flexibility</li> </ul>	<ul> <li>Inefficient performance of employees</li> <li>Almoust any motivational programs</li> <li>High cost of finish treatment of products</li> <li>Labour turnover</li> <li>Inadequate training system</li> </ul>				
Opportunities	Threats				
<ul> <li>Opening a new market</li> <li>Getting new customers</li> <li>Purchase of new machinery</li> <li>Weakening of competitions</li> <li>Changes in business environment</li> <li>EU resources</li> <li>Creation of new technologies</li> <li>Manufacturing process, material changeover</li> </ul>	<ul> <li>Loss of important customer</li> <li>Price increase of suppliers</li> <li>Penalisations for non-conformity products</li> <li>The only owner</li> <li>Intensification of competitions</li> <li>Entry of new competition on the market</li> <li>Price war</li> <li>Leaving of key staff</li> <li>Changes in business environment</li> </ul>				

Table No. 4: SWOT analysis of the overall environment Source: [7, p. 42], own

#### Strenghts of the company

KONFORM – Plastic Ltd. is on the market for more than 20 years and has a stable position and reputation among its customers. With this long tradition, the company can also guarantee quality of production and knowledge of production of plastic and rubber goods. With these knowledge, the company is well off among the competition and provides work for the other production companies. They work in so called cooperation. Because of its size, the company can also flexibly respond to changes in production, increase or decrease the productivity for exact order according to customer needs. The company is able to face unexpected situations which may arise from the customer or stopping the produciton line, etc. because of the flexiblity. The company invests in developing of new and advanced technologies, which provide greater production efficiency and better quality products. The company has also many unfinished as well as new orders an projects. Management is qualified, open to innovation, with years of experience and good contacts. This puts the company among the strong players in the manufacturing market.

#### Weeknesses

The weaknesses of the company are mainly questions of human resources, motivation and training of staff. Despite the company's mangement is trying to get new orders and work especially because of its employees, there is a lack of personnel department, which would take better care of the staff, develop their potential, etc. The current management does not have time for these issues and therefore it comes to inefficient performance of employees, scrap, unmotivation and uneasy situations. Employees often leave and new ones are employed, which costs the company time as well as money. The education systém of ordinary employees to whom the development is as important as to the key managers, is also missing. The company knows all the weeknesses and the whole Bachelor Thesis discusses about them and tries to suggest solutions so that the company management can focus more not only on the production but also on their employees.

#### **Opportunities**

Establishment of the human resources department, setting of motivation and training system are current opportunities for the company. This will be especially beneficial in motivating of workers, who will then feel important and as a part of the company. They will not need to change jobs and will try to do the best in their work, because they will know, that management is interested in them which is demonstrated by the motivation program. Also the training system will help in retaining employees who will get better qualifications and

will be able to take advantage of the company career progress. This will also help in improving the quality of work. Other opportunities for company is getting new customers or interesting projects, of course. Attraction of new customers and interesting projects is next opportunity. The company is developing constantly and buying new production equipment. There si also an opportunity to invest money in new technologies, innovative processes in the production, etc. according to the requirements of modern production, environmental regulations and requirements of the customer. Grant programs of EU resources are also great opportunities for the company. These recources help in development of companies by financial means.

#### **Threats**

At present, the threat to the company is mainly the loss of an important customer or a key employee, which could mean both – financial an qualification loss. Compensation for such losses would be very expensive and time consuming. It could extremely weaken the company. Therefore, the company must take care of its customers as well as of the employees – to be a good partner to them. Another major threat is the only owner who keeps his know-how and has no successor, so far. In this case, the owner should consider transfrering his knowledge to someone who could lead the company at technical aspect if he is no longer capable. Price increases from suppliers and heavy fines for non-conforming products are daily company threats. It is useful to maintain good relations with suppliers and set up contrancts so that the suppliers can not increase prices as they please. Fines for non-conforming products are expensive and time consuming. The only way to avoid these situations is qualified staff and quality production.

# 5 SWOT analysis of personnel management in the company KONFORM - Plastic Ltd.

As already mentioned several times, personnel management in the company KONFORM-Plastic Ltd. almost does not work. The only level of personnel management is executed by the pay clerk, who deals with admission and dismissal of employees. There are the strengts and weeknesses in evaluation of personnel management understood as analysis of present, opportunities and threats as analysis of possible further development. Expressing the key points in SWOT analysis, the top management can better figure out the situation and can easily select remedial action.

# 5.1 SWOT analysis of personnel management

Strengts	Weeknesses			
<ul> <li>Management and production "under one roof"</li> <li>Strong, skilled management</li> <li>Ability of quick and flexible answers to changes</li> </ul>	<ul> <li>Lack of personnel management</li> <li>Insufficient communication between departments</li> <li>Inefficient follow-ups</li> <li>The absence of career, salary growth for employees</li> <li>Almost any motivational environment</li> <li>Lack of information</li> <li>Lack of management interest in employees</li> <li>Almost no training programs for employees</li> </ul>			
Opportunities	Threats			
<ul> <li>Introduction of Human Resources</li> <li>Improving communication between departments</li> <li>Career and salary growth introduction</li> <li>Motivation system introduction</li> <li>Extending field of action for managers</li> <li>Optimization of organizational structure</li> </ul>	<ul> <li>Labour turnover</li> <li>Heigh costs of new employees training</li> <li>Job termination of unreplaceable employees</li> <li>Lack of professional and skilled employees</li> <li>Pay clerk and personnel clerk in one person</li> <li>Introduction of trade unions</li> <li>The owner witout successor</li> </ul>			

Table No. 5: SWOT analysis of personnel management Source: [7, p. 42], own

#### 5.1.1 Strenghts of the company

The company is managed by the owner along with the head economist. They form a qualified team together and they will not leave anything to a chance. Experienced owner with several years of practices in manufacturing of injection tools for plastics and rubber products. The owner controls the whole company operation on the technical aspects. Head economist leads the economics of business. The production is run by qualified managers who are involved in creating of projects, leadership of design, production and quality.

Since year 2002, the company's management and production is in one building. This allows flexible and fast reaction to different situations and missundertandings between departments. Management also has direct control over the production, which is a big advantage in comparison with companies with their headquarters sometimes miles away from the production. These companies do not have accurate information about production until they come and see.

Due to its size, technical facilities and especially with the leadership of a single leader – company owner, the company is very flexible and able to respond quickly to most changes and problems.

#### 5.1.2 Weaknesses

Personnel management performed by payc lerk and accounting clerk is totally inadequate. The company lacks most of basic systems that are needed for proper management of people. The company is not well informed about its employees. The company does not use any sophisticated motivation systems to prevent worries of employees and to motivate them to better performances. Rank employees of the workers' positions do not have any information on operation of the company, such as vision, goals and targets, politics. Career information is also missing. Poblematic exchange of information happens between the departments or shifts, because all shift leaders are not present. Follow-up and tracking of an employees who did not performed their work as they should is almost impossible. There is hardly any training program for employees, their education and development.

#### 5.1.3 Opportunities

The company may see a big opportunity in introduction of the Human Resources department or eventually in introduction of a temporary link that will adequately represent the personnel department. With this step, the company can improve the information exchange between departments and shifts. Introduction of Human Resources, there will be possibility to set quality motivation system, observe the system, check and develop it according to the needs of employees. Company management will have a better awareness of their workers. Having the motivation system, employees will respond better to changes, problems and disagreements.

Introduction of the company training center may mean an opportunity for the company in education of its employees who will be able to provide better and more qualified work. With training programs, the company can also set up a system of career progress and for newly opened position own employees can be used. The company can inexpensively educate own staff and provide quality and professional work for the customers.

#### 5.1.4 Threats

There is only one owner of the company, who does not have adequate succesor currently. This could mean company slowdown in case of the owner's long term absence. High labour turnover may negatively affect the work, wasted power to train and educating employees who leave after few months without having to learn everything they could, causes more harm than good. There is also a threat from employees in the establishment of trade unions, which the owner would like to prevent of course. Last but not least is a threat of personnel and pay clerk in one person who can not pay sufficient attention to all employees.

# Optimization of personnel management, human resources management and motivation in the company KONFORM - Plastic Ltd.

After months analyzing several of the personnel management of KONFORM - Plastic Ltd. and after coming to certain conclusions, the optimization of evaluated system is on. As it results from the analysis, the biggest problem is the lack of human resources department that would be concerned with management and motivation of employees who showed dissatisfaction with the conduct of personnel issues dutiny the evaluated period. Optimization aims to propose appropriate solutions that will lead to lasting calm of the situation in company and set certain rules without allowing other similar situations to arise again. Of all the possible solutions, the ones have been chosen, that are time available and afforable for the company in the current situation.

# **6.1** TOP management optimization

An important step to optimize the existing system, is the optimization of top management itself. Besides the owner of the company, the technical assistants and head economist are participating in management. The owner, together with the technical assistans are preparing the price quotations for customers. They are looking after correct systém of purchase orders and communication with the customers. The head economist is ensuring the economical matters of the company. None of the top management has much time left for managing and developing their employees and dealing with the issues of personnel management. For this reason it is important to include a specialist in HR for medium-sized enterprises in the top management, whose job would be only managing and developing human resources in company.

Simple personnel tasks are ensured by a payroll accountant up to now, who is in charge of hiring and discharging employees. When a job seeker applying for a job comes, the payroll accountant let him to fill a short form in, she shows him round the company premises, she introduces him the working place and gives him the opportunity to ask a few questions. If the candidate remains interested in offered job and appears as a potential

employee by sympathy, the payroll accountat gives cadidate's CV and Contract to the owner of the company for signature. In most cases, the choice of selection is left on the payroll accountant. However, the payroll clerk is not trained neither has experience in correct evaluation of potential employees. Payroll clerk solves entire agenda in case of job terminations. Payroll clerk also conducts an annual evaluation interviews. These interviews are used only for a rough orientation, they are not used for other purposes mostly.

Two follow-up actions were suggested from these summarized reasons that emerged from the carried outanalyzes:

- Division of personnel and payroll accounting Division of personnel and payroll accounting is crucial for further development of the company. Company employs over 122 employees. For that number, it is clear that it is impossible for one person to manage tasks of pay accountant and also HR very well. HR positions should be assigned to a person who has a talent for working with people, has already worked in similar or the same position and is experienced with people management. This job should not certainly be assigned again to the person who will serve multiple functions. HR should find and defend a position in the company as an independent, indispensable position.
- Implementation of human resources With the division of personnel and payroll accounting it is necessary to select an independent HR, who will manage its HR department and hold the agenda of employees. This person is in the current situation very important for the company, because he will have an overview of company employees, he will know their needs and most importantly, as a member of a senior management, he will be in contact with company management and will be able to assess the situation and present it, and thereby to keep it in acceptable limit. Company employees will know who to contact with any problems.

These suggested actions are the best possible solutions for company to solve and cover the situation, so that it does not happen again in the future. The measures are financially fair to the company. Investments would be only up to the monthly salary of a new workforce. To consider opening a new department in the company and finding appropriate candidate is time-consuming for the TOP management and that is bigger problem. Consequently, it is time investment to familiarize new employee with the running of the company. Both investments and time spent opening the personnel department in the company would be returned many times.

# 6.2 Optimization of organizational structure

The optimization of organizational structure would be temporary, but a quick solution (see Annex No. 4). The current organizational structure of the company is functional. By inclusion of HR staff in the organizational structure, the company could calm the situation dow and save time to to find a suitable candidate to recruiters. Professional staff would be made up of manager and technical worker of Press-shed room department, manager and technical worker of the Tool shop department and a person who so far held the position of human resource and payroll accounting. Managers and technical staff would take over the selection of employees of their departments and also pay more attention to the needs of their subordinates. Payroll accountant would only cover the paperwork and would be a key agent in the communication between managers and director. Managers would then be able to motivate better their subordinates, they would carry out evaluation interviews and would also communicate this information to payroll accountant who would deal with top management and give feedback to managers. This solution is absolutely inexpensive and not time at all.

# 6.3 Optimization of motivation system

For establishing a functioning incentive system it is important to know own employees and their needs. Because the company still does not have a personnel department which would set up and lead such system, no sophisticated incentive system works in the company either. When setting up an incentive system, it is important that all employees were well informed about it and knew all the ways to use this system and what benefits it brings to them. If the employees are not aware of employee benefits, they can not be well motivated. The same applies to managers who are supposed to apply an incentive system to its employees. If they are not familiar with it, they can not be good leaders.

Optimization of incentive system concept:

- Cash rewards
- Employee benefits
- Intangible rewards

#### Cash rewards

There is no elaborated system of cash rewards in company KONFORM – Plastic Ltd. The company, however complies with the statutory allocation of allowances, which are automatically allocated to employees working on the records of their attendance. The amount of these bonuses are defined by law and belongs to employees for overtime, night work, weekends, holidays, etc. Furthermore, the wages of employees reflect the financial, personal assessments, which employees can get in full, if they did well for the whole month. Alternatively, it can be reduced by percentage of scrap, etc. Suggested optimization aims to streamline the distribution of rewards for specific work. Suggested optimizations will be mainly introduced to employees who will then be able to calculate what they can get regarding to the basic hourly rate.

Type of bonuses	Amount of remuneration paid by a company (statutory)	Optimization of payment fees			
Overtime work	25 % AI cca 14,25,-/hod	20,-/hour*			
Public holidays work	100 % AI	100 %			
Night work	10 % AI cca 5,7,-/hod	10,-/hour*			
Weekends work	10 % AI cca 5,7,-/hod	15,-/hour*			
* if do 100 % of their work. In other cases, the remuneration provided by law.					

Table No. 6: Optimization incentive system - Statutory fees

Source: [29], own elaboration

By introducing a new rating scale, employees will be able to realize that amount of their wages can affected by the quality of their work and that they can get extra money. Provided that their work is without errors, defects, scrap, etc.. In this case, their wages can reach much different dimensions. In case of not well done job, only remuneration by law will remain to employee. Control of the correct execution of works will be carried out by manager and technician, who will decide whether employee is entitled to higher payoff or not. This information will be then transmitted to administrative personnel staff who will record the information and gives them over to accounting department.

Further optimizations are extra financial bonuses. They will belong to employees on the performance of a few selected benchmarks. Managers and technical staff of departments will control giving over the bonuses or not.

#### Evaluation criteria:

- Quality of work
- Efficiency of work
- Order in the workplace
- Usage of working hours
- Ability to manage the basic functions of injection molding machine
- Ability to remove a small defect that causes breaking the cycle
- Responsible approach
- A will to work overtime
- Communication with supervisors, commands respect

Kind of bonuses	Amount of remuneration	Notice			
Personal assessments	20,-/hour (3200,-/month)	Reduced in case of sick- leave, days off, holidays, scrap, etc.			
Remuneration for attendance	10,-/hour (1600,-/month)	Paid quarterly. Cuts in case of sick leave, etc.			
Special bonuses	1000,- for the benefit of the company	I.e help to detect fraud, help with urgent issues, etc. One-off payment.			
	2000,- in the event of jubilee celebrations	Celebrating the fiftieth birthday. One-off payment.			
	5000,- For 10 years working in the company	One-off payment.			

Table No. 7: Optimization incentive system - bonuses

Source: [29], own elaboration

There are a number of criteria to get extra bonuses, which will be managers and employees clearly aware of and they will know how they can earn a special assessment. Managers then will have to monitor and control the quality of work and according to the evaluation criteria scale the rewards will be granted, shortened or rejected. If the employee complies with all the required criteria, he may earn goodly amount. Bonuses are more motivating because employee diserved them with their hard work.

#### **Employee benefits**

Employee benefits are another successful motivational element, they are not finacial, but they are material or experiential. Employees can afford something what they should not spend their earned money for, but they would like to have or experienced it. These employee benefits are always reflected from the finacial rewards and the will of company leadership as it is willing to invest in its employees in other way than cash which is the greatest strength in motivation.

Company KONFORM – Plastic Ltd. provides its employees a contribution to the diet (meal tickets) and after having worked for some time at work, workers are entitled to working-clothes.

Other proposed motivational advantages are:

- Pension insurance The employer provides the employees a benefit in the form
  of contribution to pension insurance with state contribution. The employer sends
  contribution to pension fund account of employees. This type of employee benefits
  is advantageous for both employers and employees.
- Rectreation The employer may provide the employees with cheaper or free entry into wellness centers, gyms, recreation centers, etc.
- Education, training
- Culture Providing free tickets to theaters, cinemas, concerts.
- Medical services Providing health care for its employees and their families through company doctor, regular medical examinations, vaccinations, etc..
- Extra holidays
- Transport allowances

#### **Intangible rewards**

Intangible rewards such as praise or applause can be also very motivating for some employees. These rewards can be delivered immediately after duty, they are very effective and cost nothing. These rewards shall not be granted for no reason and the employee must really deserve it. He must know that he deserved it, otherwise the reward falls flat.

- Verbal praise
- Recognition in front of other employees

- Written honors
- Evaluation of an employee of the month

Immaterial motivation element may also be delegating of authority and responsibility. Employees then feel more important, trying to repay the trust by one hundred percent performance.

# 6.4 Optimization of Internal Comunications

The survey showed that employees are interested in contacting and information from company management. However they feel that management does not show them enough interest. Employees would also like to contribute more to the run of the company and deal their comments with the management. If employees want to resolve their complaints, they can go to their leader, but the complaint usually gets nowhere higher. Company employees would like to be informed about the run of the company in economic terms, they would like to know the upcoming changes, new orders, etc..

The following measures were suggested to remove barriers in communication:

- Regular meetings with representatives of employees and the management For
  accessibility of management to their employees it is suggested to hold regular
  meetings of representatives selected from among the employees with
  a representative of management.
- The meetings would cover requests, comments, or complaints of employees who
  would get feedback right from the management. There would be proper minutes of
  meetings, tasks would be distributed and their performance controlled....
- Company message boards there are several message boards in the company, however just two of them are fully used although they are not often updated. Through message boards up to date information about running of the company and other intersting toppics can be communicated to employees. There may be posted minutes of meetings, so each employee could read what was the topic of the meeting and what is the conclusion of the debate itself, and then check whether the agreed objectives and plans are complied with and satisfied. Message boards can provide information on production, injected products, the number of

- scraps, etc.. Head of the Department may post, for example, the most productive and most talented employees there.
- Establishment of company magazine The issue of copmany magazine is a big step not only to align employees with the vision, objectives and policy of the company. Furthermore, the introduction of the results, new projects, key employees or customers, presentation of joint actions, trainings, success. Also big customers can then receive the magazine.

# 6.5 Education and training optimization

The company employs a large number of employees at a blue-collar positions, who are not trained regularly because of the high financial costs. The company spends the most money for training of key staff in senior positions who need training for quality and responsible work. Untrained employees on workers' positions produce scraps however and that is expensive for the company too. This can be often more expensive than if the company spend costs on training for workers.

Following measures are designed to make available employees training at all levels and improve workers' job position, which means the company's largest capital:

- Establishment of training center The company purchased its own building and has plenty of room for expansion of not only its production but there is also a lot of office rooms, which can now be used to establish a training center for all levels of own employees. Own company training center would bring considerable benefits. Training and upskilling of own employees would mean lower costs. Thanks to the company training center for its employees, the company could provide an unlimited number of books and e-learning, according to the type of position. Training could be also provided to other companies.
- Training courses Offer of training courses for employees. Employees should be able to participate for example in language courses at a lower price.

# 7 Application of the proposed optimization to practice

By applying the proposed optimization in practice company will gain not only more free time of executives who will be able to devote the development of their subordinates, but also savings to finance, better climate in company, and especially a good feeling of a well done job. Highlights optimization, is applied in practice by the proposed action.

Major applied optimization:

- The motivational values system
- Creation of personnel crew
- The publishing of company magazine
- Training center

# 7.1 The introduction of the motivation system

Setting of motivation system will monitor with company management the HR officer. Important role in evaluating employees and verifying that employees are entitled to remuneration will be managers who will evaluate the quality of work from employees. Motivation system will apply the new set of both financial and non-financial benefits. Employees will be introduce with financial rewards, they will know what will get bonuses and how much and vice versa in which cases will not be eligible for bonuses.

With motivation system, will be employees informed on four extraordinary meetings, because of the high number of employees, lead by managing director and chief economist. Explains to employees the all of benefits which are ready for them, as they can get or how to apply them. These motivations regulation will be writing and posted on the bulletin board to which all employees have access. An article on employee benefits will be printed in the company magazine. Employees will be able to to express employee benefits and possibly choose the advantage that they are interested and on which are not.

Employees can choose from a number of benefits which are paid according to certain criteria, or which will be eligible for a reduced price, etc..

#### Benefits:

- Pension additional
- Contribution for board
- Transport allowance
- Education and training
- Extra holiday
- Wellness programs
- Medical Services

Managers will also reward their employees intangible rewards system, which include the weekly plan. Each week will be elected by an employee of the week, which will be praised or posted on the bulletin board. Managers can also give a written acknowledgment or thanks.

#### Intangible benefits:

- Verbal praise
- Announcement of an employee of the week
- Written praise

The whole motivation system will reflect from performance of the employees, but also from access to managers, who will be added once more paper work with write-control points for each employee so that it could the HR then evaluate the financial and non-financial benefits. To facilitate the work will be made clear inspection sheets, which will be manager after each inning to hand HR or provisional representative, who will record all personal card to the employee.

# 7.2 Creating the Personnel Crew

The time currently to create the personnel department does not have company required time and information. Due to the fact that the comapny recognizes the seriousness of the situation, the company inclusion the personnel, which will at least temporarily replace the department of personnel and to address important issues relating to human resources. Employees will be of this solution informed through meetings and information boards. Personnel crew will consist of technical manager and worker control of plastics sector manager and technical worker control of forms section. Along with these workers will work in cooperation newcomers worker taken in business administration as an auxiliary. This worker will be required necessary issues with creating documents, follow-up, ensuring information management, documentation, etc. Selected staff from each department workers, as managers, are asked to learn more about their subordinates and more to meet their requirements. Personnel crew will also be task to evaluate and motivate employees with an motivation system assembled.

# 7.3 Regular meetings of employees with top management of company

For more contact with ordinary employees by management were held in the regular production meetings included an exceptional meeting to be attended by the owner of the company or his representative in the form of chief economist or technical assistants. These meetings are held with selected representatives from the staff, who can solve their problems directly with top management, where they now feel about them does not show sufficient interest.

The first meeting, after the proposal of optimization investigation took place in December 2011. Employees have informed of the option these meetings by posting this information on notice boards, through managers and external observers. From the staff of the employees were elected four representatives of plastic section and 2 representatives from the forms section. These representatives have the opportunity to regularly, every second Monday of the month, have meeting with management representative and employee of personnel crew. From these meetings, there are entries. For compliance with statutes supervise employees and employee of personnel crew.

During the function of meetings was solved of several misunderstandings that arose before the commencement of these meetings with management. Employees are better informed about the planned changes, planned renovations, new projects, etc. The company management again has an overview of the requirements of their staff knows what is currently the most troubled and trying to work on eliminating these problems.

#### Resolved requirements:

- The reconstruction of social facilities
- Dining room Because the company does not have space to create your own canteen, gave employees the opportunity to at least environment-friendly dining room with microwave, kettle and a pleasant sitting at lunch.
- Fitness Here can employees go do sports for free after their working hours.

#### 7.4 The publishing of the company's magazine

The management company agreed to regular publishing of the magazine for employees. The task of this magazine is to create a credible image of the company, passed through the clear objectives and strategy, explaining the changes which occur during operation due to market development, in order to battle with competition, with the opening of new projects, adopting a new, important customer. The magazine will also focus on the employees themselves, their work performance, social events, developments, etc..

Company magazine is being based on a quarterly basis, in both printed and electronic form. A printed version of the magazine will be available for managers and employee in background workers. The electronic form will be regularly placed on the web site.

The planned release of the first copies of the company's magazine is in September 2012. At this time it is created content that is approved by management. The responsible person for the correct operation of the magazine publishing, page content and correctness of articles, will be worker of personnel crew. In the future this activity will take over the personnel department. The participation in the creation of content pages of the magazine will be involved every department.

The content of the company magazine:

- Foreword by the company owner
- Introduction to the history of company
- Understand the objectives and policies of company
- Significant personalities of company
- Major company customers
- Key employees
- New products
- New technologies in production

Participate in the creation of the magazine will also be able to employees themselves, who thus converge more companies will be able to describe their work, their advice and solutions for effective and efficient work, etc. The magazine will include regular columns and column current or intermittent, for example, which will be published only once or twice a year. Thanks to publishing of the magazine will be employees well informed and motivated to pay their work best.

# 7.5 Creating a training system and technical training centre

The company, upon the recommendation of the optimization investigation, decided to take advantage of free space to set up its own training center for the development of their and opportunities of educational foreign employees. The establishment of this center is subject to many standards and transcripts, so the company solves its establishment, in cooperation with experts on this issue by using subsidies from EU funds. The program name is EDUCA II. The training center should occur at the end of the year 2012. Until then, the company adopted a proposal to optimize a training system that will be used to educate their ordinary employees, without the need for expending funds. This training system is operated only by the interests of ordinary workers. On bulletin boards is accessible to employees get from a selection of planned lectures or courses, which will implement employee of company always on the topic to which employees can sign binding. These lectures and courses are of course for free and take place after working hours. The advantage of completing these courses and lectures and the subsequent management of the

test will be crucial for the selection of employees if the company decides to open up promotions or new job.

The first scheduled lecture was held in January with the participation of 15 employees. The second lecture was held in February with the participation of 18 employees. In March, passed a practical course, with using lessons learned from previous lectures with the participation of 14 employees. The company is considering about these lectures and courses in in regular interval in case of interest for employees.

#### CONCLUSION

Effective management of human resources and the right incentive system is one of the most important assumptions for successful companies because work is most valuable production factor. Employees should be qualified, experienced, work should be fun, but also motivating.

With help of home and foreign literature the facts presented was presented by in the theoretical base. The concept of personnel management was explained and emphasized its importance and necessity for the proper functioning of company. Furthermore, different views of employees management in the 20 century. The theoretical basis also discusses the right personality of executive management and leadership styles. Motivational and evaluative elements are mentioned. At the end of the theoretical basis the analysis which were used in the bachelor thesis are discussed.

The company itself and its impact on the market is introduced in further section. Also, its function, philosophy, vision and policy. The company economy over the past five years is reviewed as well. This period was chosen because the company has brought all of its assets to a newly formed limited liability company five years ago.

The practical part describes the cooperation with the company and its employees, conducted analysis and survey. These analyzes showed several important shortcomings mostly concerned of the lack of personnel management and incentive system. Employees of the company showed dissatisfaction with their leadership, they were unmotivated and doing their job inefficiently. This atmosphere led to the question of the establishment of trade unions, as workers have the feeling that the company's management does not show sufficient interest in them and does not appreciate them.

This bachelor thesis was prepared at the specific request of company KONFORM - Plastic Ltd. The aim was to optimize personnel management, human resources management and employee motivation in order to avoid the above mentioned situations and to drop the eventual establishment of trade unions.

Several optimization solutions were suggested that have already been implemented or will implement in practice. Because of unmotivated employees an important incentive system

optimization was one of the important optimizations. This system has recently been very little used and the employees did not have much idea of it. Optimization was performed on statutory contributions and there was also introduced a completely new, exceptional incentive system by which employees will be evaluated for some extra work for quality work, etc.. Incentive system was also extended to non-financial benefits system which the company will offer its employees on favorable terms. The last motivation element will be intangible rewards such as verbal or written praise.

Due to poor communication between employees and company management, ignorance of the mission, philosophy, vision and policy was optimizing of communication suggested. The simplest, but effective suggestion was to use and update message boards. As the analyzes showed employees felt little contact with management, it was suggested to make regular meetings of top management and selected representatives from the staff who represents their views, suggestions, requests and comments. Here people can express their views directly to the company management and they do not have to worry that their objections will not get to the management through thier manager. For even greater proximity of the company, as cultural element and also for a bit of media communication, founding the company magazine has been proposed to.

The last important optimization is to optimize the educational system. The analyzes showed that the company does not pay sufficient care to development of working-class positions in particular. The reasons were financial and time consuming demands for training more than three-quarters of employees in blue-collar positions. Therefore there was a proposal of establishment of its own training center where onw employees could be trained as well as employees of other companies, of which the company KONFORM - Plastic Ltd. could still make money. Educational courses such as foreign language courses were also suggested.

The last part of bachelor thesis solved the introduction of the proposed optimization into practice in simple way. After time spent in the company several optimization were already introduced and they work. It is mainly updating of the notice boards, regular meetings of management with the staff, some non-financial and financial benefits, etc. Further optimizations are in solving and the management is dealing with their introduction into practice as recommended by the bachelor thesis.

In the last days of evaluation, there was peace in company. Greater turmoil that could resemble the state of company in the last year has not been observed. Employees seem to be calmer and happier. They do better and push to get the highest possible financial rewards for their good work. Establishment of trade unions has been completely given out.

Functioning in company was a great benefit to both sides. Employees found out that the management was really interested in them, just did not know how to show it well. On the other hand, the company's management realized that just a small investment does and employees together with the company can be satisfied and do better.

## Rating of company



KONFORM - Plastic, s.r.o. Šedesátá 5576, 761 01 Zlín

#### HODNOCENÍ PODNIKU

Cílem bakalářské práce byla optimalizace personálního managementu a motivačního systému v naší společnosti.

Studentka byla dobře připravená, měla velmi dobřé teoretické znalosti v oblasti personálního managementu, které se snažila aplikovat v praxi, což jsme ji umožnili. Pod vedením Ing. Lancové dokázala analyzovat největší problémy v oblasti lidských zdrojů a navrhla optimalizace jak tyto problémy řešit.

Se studentkou byla velmi dobrá spolupráce, je aktivní, samostatná a ochotná spolupracovat. Její pracovní nasazení a nadšení pro danou věc bylo velmi pozitivní.

Jsme středně velká společnost a co se v teorii jeví velmi jednoduše, je někdy obtížné zavést v praxi, přesto jsme některé navržené optimalizace podle návrhu studentky již realizovali. Ostatní časově a finančně náročnější návrhy jsou pro nás inspirací do budoucna.

Zpracování této bakalářské práce na dané téma bylo pro naši společnost přinosem a celkově ji hodnotíme velmi dobře.

Josef Skopálek jednatel Sedesátá 5576, ICO: 27868 201 D Tel: 877 529 183

Tel: 577 523 181 Fax: 577 019 461 **ABSTRAKT** 

Daniela KARASOVÁ Personální management, řízení lidských zdrojů a motivace ve firmě

KONFORM – Plastic, s.r.o.. Kunovice, 2012. Bakalářská práce. Evropský polytechnický

institut, s.r.o.

Vedoucí práce: Ing. Hana Lancová

Klíčová slova: Personální management, řízení lidských zdrojů, motivace

Cílem bakalářské práce je nalezení vhodné optimalizace personálního managementu,

správné řízení lidských zdrojů a dobrou motivaci pracovníků ve společnosti

KONFORM – Plastic, s.r.o.. V práci je diskutováno několik pohledů na řízení lidských

zdrojů v průběhu 20. století, které slouží jako odrazové můstky při volení správné

optimalizace. Současně se práce zabývá profilem osobnosti manažera a styly

manažerského řízení. Důležitým prvkem bakalářské práce je poznání zaměstnancových

potřeb a umění jejich uspokojení. Zahrnuto je také hodnocení, odměňování a vzdělávání

pracovníků, což vše souvisí s jejich motivací. Práce analyzuje současný stav společnosti

a navrhuje vhodné optimalizace k řešení vzniklé, neklidné situace.

72

**ABSTRACT** 

Daniela KARASOVÁ Personal management, managing of human ressource and

motivation in company KONFORM - Plastic Ltd.. Kunovice, 2012. Bachelor Thesis.

European Polytechnic Institute Ltd., Kunovice

Supervisor: Ing. Hana Lancová

Key words: Personal management, managing of human resource, motivation

The aim of this Bachelor Thesis is to find a proper optimization of the personnel

management, human resources management and a good motivation of the staff in the

company KONFORM - Plastic Ltd. In this bachelor thesis there are discussed several

perspectives on human resource management in the 20<sup>th</sup> century, which serve as

springboards for the elected correct optimization. This work deals with the personality

profile and executive and managerial styles of management. An important element of the

thesis is to understand the employee's needs and their satisfaction. Included are an

assessment, renumeration and training of staff, all of which are related to their motivation.

The thesis analyzes the current state of society, and suggests what is appropriate to deal

with this optimization, in this turbulent situation.

73

## **Bibliography**

## Books, monograph:

- [1] ŘEZÁČ, J. *Moderní management: Manažer pro 21. století.* 1. vydání. Brno: Computer Press, a.s., 2009. 400s. ISBN 978-80-251-1959-4
- [2] KOUBEK, J. *Personální práce v malých podnicích*. 1. vydání. Praha: Grada Publishing, spol. s.r.o., 1996. 200s. ISBN 80-7169-206-9
- [3] BĚLOHLÁVEK, F. *Jak vést a motivovat lidi*. 5. vydání. Praha: Computer Press, a.s., 2008. 113s. ISBN 978-80-251-2235-8
- [4] LEŠINGROVÁ, R. *Baťova soustava řízení*. 3. vydání. Zlín: Lešingrová Romana, 2010. 256s. ISBN 978-80-903808-9-9
- [5] BAŤA, T. *Úvahy a projevy*. Zlín: Univerzita Tomáše Bati, 2002. 220s. ISBN 80-7318-103-7
- [6] JAKUBÍKOVÁ, D. *Strategický marketing: Strategie a trendy.* 1. vydání. Praha: Grada Publishing, a.s., 2008. 272s. ISBN 978-80-247-2690-8
- [7] GUINN A., KRATOCHVÍL O., MATUŠTÍKOVÁ I. Strategický management malých a středních podniků. Kunovice: EPI, s.r.o., 2007. 139s. ISBN 978-80-7314-125-7
- [8] SCHOLLEROVÁ, H. *Ekonomické a finanční řízení pro neekonomy*. 1. vydání. Praha: Grada Publishing, a. s., 2008. 256 s. ISBN 978-80-247-2424-9
- [9] POPESKO, B. *Moderní metody řízení nákladů*. 1.vydání. Praha: Grada Publishing, a.s., 2009. 240 s. ISBN 978-80-247-2974-9
- [10] HELLER, R. *Jak motivovat druhé*. 1. vydání. Praha: Nakladatelství Slováry, s.r.o., 2001. 72s. ISBN 80-7209-328-2
- [11] HALÍK, J. *Vedení a řízení lidských zdrojů*. 1. vydání. Praha: Grada Publishing, a.s., 2008. 128s. ISBN 978-80-247-2475-1
- [12] DRUCKER, P. *Efektivní vedouci*. 2. vydání. Praha: Management Press 1, 1992. 127s. ISBN 80-85603-02-0
- [13] ALLEN, R.E. *Pú a management*. 1. vydání. Praha: Volvo Globator, 1998. 121s. ISBN 80-7207-171-8
- [14] MEDLÍKOVÁ, O. *Jak řešit konflikty s podřízenými*. 1. vydání. Praha: Grada Publishing, a.s., 2007. 136s. ISBN 978-80-247-1732-6

- [15] ADAIR, J. *100 TIPŮ, JAK ÚSPĚŠNĚ ŘÍDIT A VÉST LIDI*. 1. vydání. Praha: CP Books, a.s., 2005. 130s. ISBN 80-251-0529-6
- [16] MEIER, R. *Úspěšná práce s týmem*. 1. vydání. Praha: Grada Publishing, a.s., 2009. 160s. ISBN 978-80-247-2308-2
- [17] EVANGELU, J.E. *Diagnostické metody v personalistice*. 1. vydání. Praha: Grada Publishing, a.s., 2009. 176s. ISBN 978-80-247-2607-6
- [18] PLAMÍNEK, J. *Vedení lidí, týmů a firem.* 1. vydání. Praha: Grada Publishing, a.s., 2002. 156s. ISBN 80-247-0403-X
- [19] ŠULER, O. 100 klíčových manažerských technik komunikování, vedení lidí, rozhodování a organizování. 1. vydání. Praha: Computer Press, a.s., 2009. 305s. ISBN 978-80-251-2173-3
- [20] KOUBEK, J. *Personální práce v malých podnicích*. 1. vydání. Praha: Grada Publishing, spol. s.r.o., 1996. 200s. ISBN 80-7169-206-9
- [21] NELSON, B. *1001 způsob jak motivovat zaměstnance*. 1. vydání. Praha: Pragma, 2009. 205s. ISBN 978-80-7205-776-4
- [22] THOMSON, R. *Řízení lidí*. 1.vyd. Praha: Nakladatelství ASPI, a.s., Wolters Kluwer, 2006. 249 s. ISBN 978-80-7357-267-9
- [23] FORSYTH, P. *Jak motivovat svůj tým.* 1.vyd. Praha: Grada Publishing, a.s., 2006. 98 s. ISBN 978-80-247-2128-6
- [24] HESKOVÁ, M. a kol. *Category management*. Praha: Profess Consulting, s.r.o., 2006. 184 s. ISBN 978-80-7259-049-0
- [25] SELDEN, B. What to do when you become the Boss: How new managers become successful managers. USA: Outskirts Press, Inc., 2008. 279 s. ISBN 978-1-4327-1428-4
- [26] McCLAIN, ROMAINE, D. *Everything managing people book.* 2nd Edition, Avon: F+W Publications, Inc., 2007. ISBN 978-1-59869-143-6
- [27] HUNDSAKER, ALESSANDRA, P.A.J. *The Art of managing people.* 1st Edition, New York: Simon & Schuster, Inc., 1986. ISBN 0-671-62825-9

#### **Unpublished sources, internal sources:**

- [28] KLEPÁČOVÁ, E. *Příručka jakosti*. Zlín, 2008. 35 s. Příručka jakosti. KONFORM Plastic, s.r.o.
- [29] KARASOVÁ, I. *Hospodářské výsledky firmy 2005 2011*. Zlín, 2011. 3 s. KONFORM Plastic, s.r.o.

## **List of Abbreviations**

Ltd. Limited liability company

etc. Et cetera

TEW technical-economic worker

HR human resource
AI average income

## List of figures, graphs, tables

Table No.1: Theory "Z"

Table No.2: Model example of internal profile of KONFORM – Plastic Ltd.

Table No.3: PEST analysis of company inner environment

Table No.4: SWOT analysis of the overall environment

Table No.5: SWOT analysis of personnel management

Table No.6: Optimization incentive system - Statutory fees

Table No.7: Optimization incentive system – bonuses

Graph No.1: Revenues from own product and services

Graph No.2: Consumption share to sales and income

Graph No.3: Personal expense

Graph No.4: Profit before tax

Graph No.5: Structure of employees

## **List of Annexes**

Annexe No. 1: ISO 9001

Annexe No. 2: ISO/TS 16949

Annexe No. 3: Organizational structure of company

Annexe No. 4: Optimization of organizational structure

Annexe No. 5: Questionnaire

# CERTIFIKÁT

Norma Reg. číslo certifikátu ČSN EN ISO 9001:2009 01 100 528 050301

Certifikační orgán TÜV International s.r.o. – COTI Unternehmensgruppe TÜV Rheinland / Berlin-Brandenburg potvrzuje:

Držitel certifikátu:



KONFORM - Plastic, s.r.o. Šedesátá 5576 760 01 Zlín

Oblast platnosti:

Výroba, montáž a prodej plastových dílů, konstrukce a výroba vstřikovacích nástrojů

Auditem, zpráva č. 528 CZ 685, bylo prokázáno splnění požadavků normy ČSN EN ISO 9001:2009.

Platnost:

Tento certifikát je platný od 15.11.2011 do 14.11.2014.

Praha, 5.12.2011

Ing. Zuzana Kubinová Certifikační orgán TÜV International s.r.o. Washingtonova 5 · 110 00 Praha 1 Česká republika







www.tuv.com

TÜVRheinland®

Prověřeno dle normy ISO / TS 16949:2009

(třetí vydání, 2009-06-15)

Reg. číslo certifikátu Certifikát IATF č.

01 111 055425 0131137

TÜV Rheinland Cert GmbH potvrzuje:

Držitel certifikátu:



KONFORM-Plastic, s.r.o.

Šedesátá 5576 CZ - 760 01 Zlin

Oblast platnosti:

Výroba plastových dílů pro automobilový průmysl

- bez návrhu a vývoje produktu -

Auditem, zpráva č. 055425 bylo prokázáno splnění požadavků

normy ISO /TS 16949:2009.

Následné audity budou provedeny do 02-09 (dd.mm).

Platnost:

Tento certifikát je platný od 09.12.2011 do 08.12.2014.

2011-12-14

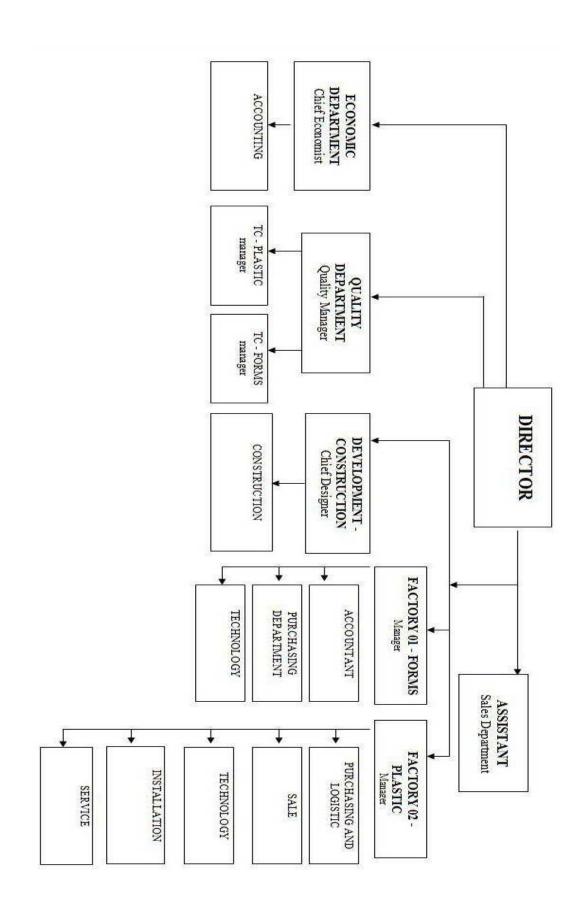




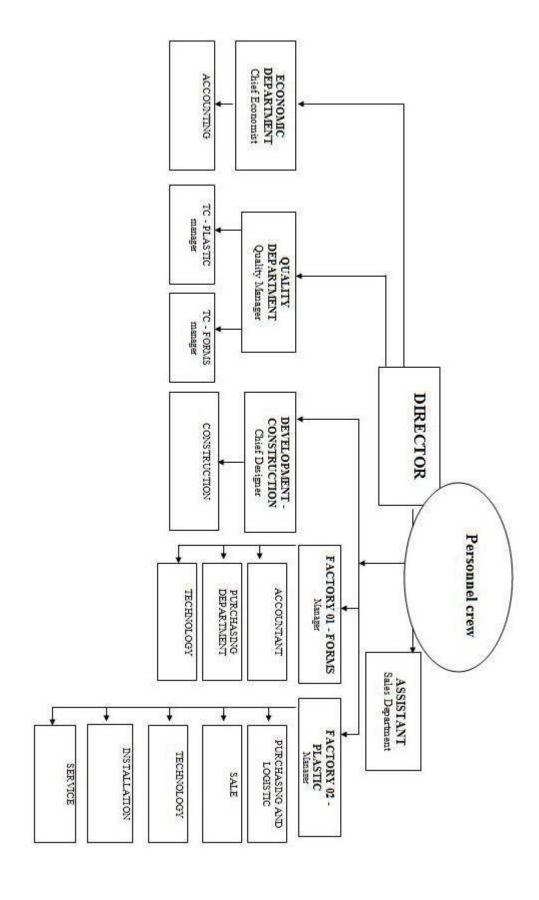
www.tuv.com



Annexe No. 3: Organizational structure of company



Annexe No. 4: Optimization of organizational structure



#### Annexe No. 5: Questionnaire

#### **Cover Wetter to the questionnaire**

Hello,

my name is Daniela Karasova and doing in copany KONFORM – Plastic Ltd. evaluation of personnel management and motivation for my bachelor thesis. Following a few interviews that I have lead with the company's employees, I have compiled the following questionnaire.

The questionnaire is anonymous and will be used solely for the purpose of the thesis. Thanks to the questionnaire I will be able to proposal and optimization solutions for HR management to be effective and work better for you, interviewed employees.

Please complete this questionnaire individual and true and tell your views on management of company, communication and relationship between employees and management.

Thank you in advance for your cooperation.

Daniela Karasova

### Questionnaire

## Gender: Man Woman Age: 18 − 23 24 – 30 • 30 – 40 • 40 – more Education: Primary • Trained (give an specialization: \_\_\_\_\_) • Trained with graduation (give an specialization: \_\_\_\_\_\_) • Secondary school with graduation: (give an specialization:\_\_\_\_\_) • Higher education: (give an specialization:\_\_\_\_\_\_) • University – First level: (give an specialization:\_\_\_\_\_) • University – Second level: (give an specialization:\_\_\_\_\_) Job position: **Block of questions No. 1:** Role in company 1. How long have you worked at the company KONFORM - Plastic Ltd.? a) Less than one year b) 1-2 years

- c) 2-5 year
- d) 6 more years
- 2. Are you satisfied with your position and enjoy your work you are doing in company KONFORM - Plastic Ltd.?
  - a) Yes, and I envoy the work
  - b) No, I don't like this work

3.	Do you know about career opportunities at the company KONFORM Plastic Ltd.? a) Yes b) No
Block of questions No. 2: Evaluation	
4.	Are you on your position satisfied with the pay classification? a) Yes b) No
5.	What is your working time? a) Single shift 6:00 a.m. to 2:00 p.m. b) Three-shift c) Other:
6.	Are you satisfied with working time? a) Yes b) No
7.	Do you overtime work? a) Yes b) No
8.	What is the most often reason to perform overtime work? (You can select multiple answers).  a) Overtime is forced by managers b) Do not catch standard c) Doing work for other person d) Replace holiday e) Other answers:
9.	Do you think that is overtime paid well? a) Yes b) No
Block of questions No. 3: Relationship on workplace	
10	<ul> <li>What is your relationship with the supervisor?</li> <li>a) Very good</li> <li>b) Good</li> <li>c) Neutral</li> <li>d) Poor - feel the abuse of power</li> </ul>

11. How do you rate relations in the workplace? a) Very good b) Good c) Neutral d) Poor 12. Have you created among other staff friendly relationship? a) Yes b) No 13. Do you like go to work? a) Yes, Iam looking forward to work. b) Quite yes. c) I go to work because I have to. d) The work is not delight, every day is my misery. 14. Do you feel motivated by your supervisor? a) Yes b) No 15. How would you like to be motivated? a) Financial assessment b) Tangible gifts, vouchers for sports c) More time off d) Praise - Verbal praise from other employees **Block of questions No. 4: Getting information** 16. Gives you manager the necessary information for your daily work? a) Yes b) No 17. If you do not have complete information, know where to find the necessary information, or who can give you to providing it? a) Yes b) No 18. It seems to you that you have enough information to full performance of their work? a) Yes b) No 19. Do you have enough information about the operation of the company? a) Yes

20. Would you be better informed about the company?

b) No

a) Yesb) No

- 21. In what way? a) Company boards b) Company magazine c) Company meetings with company management 22. Can you communicate with top management and the director? a) Yes b) No 23. Do you feel that top management dont know what is happening in your department? a) Yes b) No 24. Would you like to more communicate with top management? a) Yes b) No 25. In what way? a) Through the chosen representative b) Each alone 26. How often? a) Once a week b) Once a month c) Once every half year d) Otherwise: **Block of questions No. 5:** Motivation and education 27. Are you on your position regularly trained?
  - a) Yes
  - b) No
- 28. Do you think that is necessary regular training on your position?
  - a) Yes
  - b) No
- 29. Would you like to be trained?
  - a) Yes
  - b) No