Volume 2 No. 2

International scientific journal

Central European Journal of Labour Law and Personnel Management

Central European Journal of
Labour Law and Personnel Management

Volume 2 2019 No. 2

Central European Journal of Labour Law and Personnel Management

Vol. 2, No. 2, 2019

ABSTRACTING AND INDEXING

Index Copernicus

CONTENTS

Horecký, J., Blažek, M. (2019). Dependent work and internship.
Central European Journal of Labour Law and Personnel Management, 2 (2), 7-20.
doi: 10.33382/cejllpm.2019.03.01

DEPENDENT WORK AND INTERNSHIP

Jan Horecký [1] – Michal Blažek [2]

[1] Faculty of Law, Masaryk University in Brno, Czech Republic
[2] Faculty of Law, Masaryk University in Brno, Czech Republic

Received: 02. October 2019, Reviewed: 14. November 2019, Accepted: 05. December 2019

Abstract

The law of the Czech Republic does not explicitly regulate the rights of the university students participating in internship programme. Nor does it regulates the obligations and rights of the internship programme providers. Without the existence of any specific legal regulation, the issue has to be addressed by most of the universities since internship is a necessary requirement for graduation. The absence of legislation makes unclear the legal background of internship programmes. The authors of the article deal with those legal norms that should apply in internship practice and present several arguments supporting the fact that the internship programme should be regulated by labour law Act No. 262/2006. The article also draws attention to the consquences of this conclusion. The aim of the paper is to support the opinion above, providing several arguments. To achieve this objective, the concept of „dependent work" will be analyzed using deductive research method based on the existing theoretical labour-law knowledge, as well as an inductive method will be applied with the Supreme Court and the Supreme Administrative Court of the Czech Republic.

Key words: professional practise, dependent work, remuneration for work, insurance.

DOI: 10.33382/cejllpm.2019.03.01

JEL classification: J80, J83, K31

Introduction

Studying at university is often complemented by acquiring practical skills through applying for internship programmes. At some universities, the fulfillment of internship is an obligatory condition to obtain a degree that means successful completion of university studies. The internship programme itself takes place under different conditions. Those providing internship are convinced that professional practice is not a subject to standards of any private law obligation. In most of the cases, unnamed contracts about conducting

internship are signed, in which it is stipulated that the activity provided by the student is voluntary without financial reward provided by the professional practice provider.

However, the present article is trying to find an answer whether the applied practice is correct and in accordance with the legal norms of the Czech Republic. The authors are trying to present the facts, why it is necessary in certain cases to assign the professional practice under the standards of Act No. 262/2002 Coll., of the Labour Code (hereinafter referred to as a „Labour Code"). Assigning to protectionist norms of the Labour Code entails innumerable obligations for those providing internship practice (employer de facto and de iure), for example, the obligation for student (employee) to provide wage, salary or remuneration for work and the obligation to compensate for material and non-material damage. Both topics mentioned will be discussed in details in further parts of this article.

The aim of this article is to draw attention to a fundamental legal loophole, start discussion on the issue and propose possible solutions. The legal opinion and findings of this article might help convince the Czech legislature to define more explicitly the legal nature of professional practice in the Czech law. The authors of the article expect that the proposed changes will contribute to higher legal certainty and respect of legal norms, as well as securing (social and economic) persons – students, who often replace or supplement the regular employees of the company. The introduced topic would certainly deserve a lot more attention. The present article is trying to address the basic line of the problem and structure the arguments. The chosen methods of work make the article transparent and persuasive.

Theoretical background

Contemporary approach to the issue

Domestic scientific literature addresses almost no attention to the issue of internship. According to our opinion, this happens, because with an exception of § 391 of the Labour Code, there are no legal norms specifically defining this form of employment relationship.

An insight into the phenomenon was introduced by Andrea Hrdličková. She presented several piece of information, which instead of the analysis of current legal norms deals with the considerations on conducting internship *de lege ferenda*. Hrdličková names entities participating in professional practice and calls for legislation that should ensure a smooth, administratively less demanding and quality provision of professional practice, in which neither of the participating entities will be disadvantaged. Hrdličková is also emphasizing that those providing professional practice should apply the same rules as generally employers do in terms of personal data protection and employee monitoring. She also proposes a written confirmation of commitment between the parties, and tax advantage for the service provider in order to motivate the service provider to conduct this activity (Hrdličková, 2013).

Tereza Eréney and Daniel Vejsada also address the issue of professional practice. They advocate the possibility of conducting professional practice not as a part of the basic labour-law relationship and propose to fall it under volunteering activity or the legal norm of Act No. 89/2012 Coll. of the Civil Code (hereinafter referred to it as „Civil Code")

without being entitled to receive any financial remuneration. The authors of the article recommend to service providers to apply the possible minimum amount of instructions towards the students and apply in fields where they find it necessary. As an example, the authors mention workplace health and safety. The authors do not consider this legal construction to be convincing and might be an effective legal regulation, and therefore they make an attempt to provide further definition on the issue in this article (Eréney and Vejsada, 2015). Other authors as well do not provide a convincing argument confirming their opinion about the possibility of an internship without remuneration (Klega, 2006; Mynářová, 2018).

Historical overview

Interesting inspiration on the issue can be found in the text from the mid 20th. century. Already in 1937, JUDr. Karel Ballenberger in his article refused the idea of internship with no remuneration provided. In his paper, he introduces the legal regulation applied and comments on it. In his work, he defined three types of contracts we would classify today as quasi employment relationship contracts resp. *sui generis* contracts. He distinguishes learning, volunteer and internship contracts that are based on intensity of the work. The contracts were however defined on theoretical basis. Certain circumstances allowed to provide financial remuneration for the apprentice/volunteer/trainee for their conducted activities.

There was no detailed elaboration of theories described in quasi-internship contracts, neither by the initiative of professionals. Ballanberger called for an improved legal regulation considering the younger generation. It seems that absence of legislation regarding professional practice characterized the era. For more details, the reader should study the literature of this period (Ballenberger, 1937).

Foreign literature

Part Nine of the Labour Code, Act, No. 311/2001 about the agreements on work performed outside employment relationship specifically regulates the discussed issue. In contrast to the Czech Labour Code, in addition to the Work Activity Agreement or Performance Contract, the Slovak Labour Code also included the Agreement on Temporary Job of Students. All three agreements covered in this section shall be a subject to common legislation reffered to in § 223 - § 225. The Agreement on Temporary Job of Students is specifically regulated in § 227 - § 228. According to § 227 (1) an employer may conclude an agreement on temporary job of students with a natural person who has the status of a secondary school student or a student in full-time higher education under applicable legislation and the person is under 26 years of age (Barancová, 2017). According to § 227 (2) work under an agreement on temporary job of students shall not exceed 20 hours per week on average; the average for the purposes of the maximum admissible working time shall be calculated from the whole period covered by the agreement up to a maximum of 12 months. An employer shall be obliged to conclude an agreement on temporary job of students in writing, otherwise it is invalid. The agreement must include: the agreed work, the agreed reward for the work performed, the agreed extent of working time and the period for which the agreement is concluded. The employer shall be obliged to issue the employee with one copy of the agreement on temporary job of students (§ 228 (1)). If a trainee is completing his studies and the natural person reaches

26 years of age while continuing to work for the employer, the agreement on temporary jof of a student will automatically be trasnformed into an employment contract. Agreement can be concluded only for definite period, and that is max. 12 months (srov. § 228 odst. 2).

Thus, unlike the Czech legislation, the Slovak legislation *de lege lata* determines the performed activity of the student in form of internship by the Labour Code (Act, No. 311/2001 Coll.). It lays down the conditions under which the traineeship is to be carried out, including the obligatin to pay for the performed work. The Slovak legislation is also calculating with real situations in which it is appropriate that the existing relationship between the student and the service provider should no longer be provided as an agreement on temporary job of a student, but its legal nature has been changed and subsequently classified as a *„classic"* employment relationship. The agreement on temporary job for a student is a bilateral synallagmatic commitment.

In contrast to the Slovak legislature, the French legislature laid down the rules for conducting traineeship not in the labour code but in the document *Code de l´éducation*. The French *Code de l´éducation* contains a special regulation standardizing the traineeship as an irregular performance of dependent work. Internship is a three party relationship according to the French concept. The parties involved are the university, the university student and the organization ensuring traineeship. The traineeship has both pedagogical and work profile. If the educational aspect of traineeship is abandoned, the relationship actually changes into performance of dependent work, and the trainee is entitled for change of the existing contract into employment contract. If the trainee fails in the process to change his contract with the contractor, he may request this from the *Conseil de prud´hommes* - Court of First Instance, responsible for labour disputes (Pélissier, Gilles and Dockčs, 2013). According to French standards, the job agreement between the trainee and the organization providing traineeship may not exceed 6 months during an academic year (L 124-5 Code de l´éducation). If the traineeship determined in 6 months is exceeding this period by two months, the employer has to pay the trainee an extraordinary remuneration (L-124-6 Code de l´education), which is different from the ordinary wage of an employee of the organization. The amount of extraordinary remuneration depends on the concluded collective agreement in the given field. However, it may not be lower than the minimum guaranteed by the state. In addition, the trainee is entitled to get the same benefits as the other employees of the organization. The right to equal treatment is applied. The trainee recieves meal vouchers, commuting allowance to and from workplace, which are paid by the employer (Pélissier, Gilles and Dockčs, 2013).

Material and methods

The main objective of this article is to summarize the traineeship activity in accordance with the currently valid regulations in the Czech Republic. At present, avoidance of law occurs in certain situations, when no financial compensation is provided for the student's work. The authors will try to reject or confirm this assumption in the chapter of Results and Discussion.

As the main and primary source of the following considerations (in addition to the above discussed historical overview and the foreign literature addressing the issue) we used: Act No. 26/2006 Coll., of the Labour Code, Act No. 89/2012 Coll., of the Civil Code, Act

No. 435/2004 of the Employment Law and Act No. 198/2002 Coll., about the Voluntary Service, as well as amandements to certain acts, consequently the decision-making practice.

To get as close as possible to the concept of dependent work, an analysis was applied based on the practice of the Supreme Court (Decision of the Supreme Court on 18 December 2001, 21 Cdo 615/2001; Decision of the Supreme Court on 30 November 2016, 33 Cdo 645/2016); the Supreme Administrative Court (Decision of the Supreme Administrative Court on 29 September 2011, 4 Ads 75/2011; Decision of the Supreme Administrative Court on 23 March 2012, 4 Ads 175/2011; Decision of the Supreme Administrative Court on 27 April 2012, 4 Ads 177/2011; Decision of the Supreme Administrative Court on 13 February 2004, 6 Ads 46/2013), where the authors identified the essential characteristics of this term. Analyzed was as well the decision of the European Court of Justice, 7 September 2004, the case C-466/02, Michel Trojani vs. Centre public d ´aide sociale de Bruxelles (CPAS). The concept of dependent work was analyzed and was subsequently assessed by the authors. The authors did not make conclusion solely based on grammatical interpretation of the law. They also applied logical and teleological methods. Applying these methods of interpretation, they could draw the conclusion summarized below. The article also uses sources lacking the characteristics of formal source of law, such as the Recommendation of the International Labour Organization No. 198 about the employment relationship in 2006 and the Explanatory Memorandum to § 1746 No. 89/2012 Coll.,of the Civil Code. As a secondary source can be listed the scientific work of Andrea Hrdličková (Hrdličková, 2013) and the work of other few authors (Eréney and Vejsada, 2015) as well as the articles of scientific journals.

The sources have been incorporated to support the opinion of the authors. General conclusions were drawn from the law cases and doctrinal knowledge using the method of induction. The knowledge of different sources has been processed by the method of analysis and synthesis, as well as the authors contributed with their arguments.

Results and discussion

Facts

Some faculties of Masaryk University in Brno are among those institutions that require professional practice from their students to complete ther master's degree. Traineeship can be mastered at any provider of this possibility offering different conditions. According to the experience of the author as well as the general public, it can be said that most of the organizations offer traineeship for free. The state administration sector offers traineeship for free. At this point, however, the question should be raised whether conducting dependent work is similar to traineeship, and therefore the person conducting the work is entitled to wage, salary or remuneration for his job.

Professional practice conducted assumes a two-party or three-party legal relationship. In the first case, we talk about the situation, when the traineeship was initiated by the student, and anything similar was not required by the educational institution. In the latter case, the university itself enters into a relationship through a particular faculty imposing a student an obligation to enter an internship. The faculty as a third party acts as an initiator of internship. The other side of the triangle is represented by a natural or legal

person, where the student is conducting internship – provider of internship. We suppose that it is always the person, who acts as an employer. During our research, it was not detected that this person was of different position. The third side of the triangle is the student of the college resp. university.

The three-party relationship is manifested externally through the behaviour of the parties involved. Regarding the content of this relationship - traineeship – these are the rights and obligations of individual entities. The initiator controls the fulfillment of the traineeship. However, the bulk of the content can be defined in the relationship of the internship service and the student. It depends what type of internship is conducted. It is possible to distinguish between voluntary and obligatory internship, whether the student is completing internship based on own initiative or it is the request of the faculty.

The traineeship can also be distinguised based on the nature of the activity conducted by the trainee. In the case of the first model, which can be called a distance model, the student does not work, only gets acquinted with the office activity and observing the professional expert, e.g. supervisor of sport club, teacher in the classroom. The second model is a model of professional practice, where the student is performing activities related to his/her studies. The third model is represented by the administrative model. The university student does not carry out professional tasks. The work of a student consists of looking after clients and other office members, archiving files, photocopying documents etc. The introduced models will probalby lap one another. The work conducted by the student can be characterized both administrative and professional. The student will also learn by observing the work conducted by more experienced colleagues. The job description will determine the different categories.

Analysis of the term „dependent work" according to § 2 (1) of the Labour Code

Labour law protection is activated by subordination of any human activity reflecting to dependent work. In such circumstances, the relationship between the parties is governed by the regulations of the Labour Code. A contrario, it is not possible to apply the regulations of the Civil Code solely to the relationship. Dependent work is a basic defining feature of the basic labour relations. The Labour Code defines three such labour relations. In addition to the employment relationship, it is an agreement to perform work and an agreement to complete job.

It may happen that the activity does not fulfill the characteristics of dependent work, and consequently it is not possible to subordinate the given activity to the Labour Code. In this case, it is considered to be an independent work (Bělina, 2015), which will be a subject to the regulations of Civil Code, specifically the contracts regulating the relationship based on the contract of work.

The literature is addressing the concept of dependent work performed by the employer for the employee in a creative and innovative way. Different authors approach the concept in different way. Dependent work helps to uncover the obscure legal acts, where work is performed without payment of adequate financial reward. It also makes it possible to distinguish the activities regulated by the Labour Code from altruistic human assistance (Podhrázký, 2014).

According to the Employment Relationship Recommendation, 2006 (No. 198), states should consider defining the employment relationship based on the following identifiers: superiority and subordination, integration of subordinate person into the organizational structure, personal performance of work for the benefit of a supervisor at a particular location, specified period of time and determined financial remuneration. However, recommendations are not binding on member states. They provide a guidance for implementing international standards in the field they are related to. Another source can be listed the Decision of the Court of Justice of the EU on 07.09 2004 - C-466/02. The activity of the employee should be provided for a certain period, for the benefit of the employer, and remuneration is provided for the employee based on the performed activity. The activity is controlled by the employer, and the work conducted should be effective. The court is emphasizing to take into consideration all the existing and absent facts that may lead to confirmation or termination of employment relationship between the parties.

According to § 2 (1): *„Dependent work is conducted in the superior position of the employer and subordinate position of the employee on behalf of the employer, according to the instructions of the employer, the employee is performing the work personally."* In addition to this, the Supreme Administrative Court introduced a further feature of dependent work being long-term (systematic).

The characteristic features specified by law will not be analyzed in this article. The article will address the practice of courts and the doctrine-driven features.

In the context of *„personally conducted dependent work"*, the personal nature of labour-law relationship may also be encountered, thus asserting that the legal relationship between the partners is not merely a working relationship but brings the concerned parties closer. It is confirmed that work in terms of the relationship between the emplyoer and the employee (the person acting on behalf of the employer) is also crucial in terms of overall satisfaction with life of the employee. However, we must reject characterizing dependent work in terms of personal bond. As already mentioned, dependent work is performed on the basis of labour-law relationship that includes employment relationship, agreement to perform work and the agreement to complete job (Vysokajová, 2015). An agreement to complete a job can be concluded for a one-day performance of dependent work (work task assigned individually) or work performed for several short-term occasions. In these cases, we cannot talk about personal bond of the parties involved. Personal bond between the employer and the employee exists if employment contract or agreement to perform work is concluded between the parties. Misconceptions could lead to elimination of the presence of dependent work that the Labour Code wants to regulate. The legal relationship established by the agreement to complete work is one of the basic labour relations, and it is necessary to protect the employee.

The Supreme Administrative Court states that an occasional work or a certain task for one occasion provided for the employer cannot be considered to be a personal bond. The approach of the Supreme Adminsitrative Court is based on § 2 (1) that dependent work is *„conducted"*. The Supreme Administrative Court emphasizes that it is necessary to proceed with caution and assess each specific case carefully. We can agree with the approach of the Supreme Administrative Court, but also with the proved correction of certain aspects. Certainly, the imperfect definition provided by the legislature has to

be taken into account. The imperfect definition should not be expand into more extensive meaning that could be misinterpreted by the Supreme Administrative Court. Since the language itself can set limits, the lawyers should not rely solely on grammatical interpretation. More comprehensive approach is needed to formulate a regulation. Systematic activity may also be performed in a civil relationship between supplier and the customer. Long-term acitivity may be the activity of the volunteer looking after disabled person or someone taking care about the nature and environment. An occasional cooperation or a certain work provided for one occasion stands as an opposition to consistency. The Supreme Administrative Court classifies the very short term activity conducted as a dependent work (Bělina, 2015). Moreover, dependent work must be conducted from the beginning to the end of the employment relationship (Kieler, Stádník, 2012). Immediately after taking up the work, the employee follows the instructions of the employer, acts on his/her behalf, conducting the work personally etc.

Economic dependence can be considered as a further feature. In case of the Supreme Administrative Court, it is a feature identified to show similarities with other features characterizing dependent work (Supreme Administrative Court 6 Ads 46/2013). Being long-term unemployed will decrease social standards of the individual and the family as well as will increase the social risk (Stránský, 2012). This also applies for the relationship between two individual entities. If the supplier has no one to reach due to dissapperance of the manufacturer from the market, might find himself in difficult situation due to income loss. The division between the relationships is created by a possible distribution of business risk. *„If the person for whom the work is contucted is solely responsible for risk, then the person conducting work is in economically dependent position. An independent position shows the opposite, if directly in the environment of the person occur beneficial or unfavourable consequences of entrepreneurial risk“* (Stránský, 2012, COFOLA).

Indeed, economic dependence can bet he clue for determining dependent work. However, it cannot be defined as a definite sign of dependent work for the following reasons. The feature described is not explicitely mentioned by the Labour Code. The remuneration linked to economic dependence is determined only as a condition for the performance of dependent work (Horecký, 2012). The legislation has decided not to deteriorate from the previous legislation, where financial remuneration received for work was a feature of dependent work. Work without financial compensation is also classified a dependent work. The introduced fact is excluding the economic dependence as a characteristic feature of dependent work. If the employee is not remunerated, cannot be economically independent.

To conclude this part of the article, it is also necessary to reject the inclusion of volunteering among the implicit features of dependent work (Štefko, 2013). If the opposite standpoint was approved, forced labour would be excluded from the Labour Code. It cannot be assumed whether a legal interest exists to make the employee to conduct work in fear, under psychological pressure, resp. physical pressure meaning not voluntarily, deprived of the protection provided in the Labour Code.

The analyzed features cannot be identified with the legally defined features of dependent work. Therefore, the personality, length, continuity, economic dependence and voluntary nature can be classified as supporting signs that help in identification of dependent

work. The individual features will often appear when performing dependent work. However, their absence cannot lead to conclusion that it is not a relationship we can identify as dependent work. It is impossible to add artificially created features via doctrines or the legal practice. If we decide to follow this direction, we could conclude in certain relations that the given legal relationships should not be protected by the Labour Code standards, even though some of these relationships are protected by labour law regulations.

Reward for work in a broader context

According to current legislation, dependent work must be conducted for wage, salary or remuneration (Galvas, 2015). *„If financial compensation is considerd to be a defining feature, there would be a high risk of concluding that if someone in a subordinate and dependent position is conducting work, for which there is no financial remuneration, we cannot talk about dependent work."* (Stránský, 2012, COFOLA). The unpaid performance of dependent work will still represent a dependent work, even it is treated as illegal work in the Czech legal environment. The Labour Code enables the employee to remunerate beside the financial compensation with natural wage. The remuneration interpreted by the Labour Code does not constitute praise or gaining experience. These forms of remuneration cannot be categorized neither a financial remuneration nor a natural wage, which can only be represented by product, work performance or service. The right for receiving remuneration (in wider scope of meaning) cannot be given up by the employee (Vysokajová, 2015).

Summarizing the characteristics of dependent work on the legal basis

The trainee acts in a subordinate position towards an employer. The superior (employer) organises the work of the student and ensures the job description. The employer will also determine when and where the activity will be realized. The work for the student is ensured by the provider or the student should be informed what kind of work to be conducted for the employer, who will control the work activity. In that case, the student commits something in contrary to internal regulations, and the employer might terminate the agreement existing with the student. Student in internship does not decide about the tasks conducted, although he/she makes available his/her skills and knowledge to be employed. The trainee must obey the instructions of the employer. Otherwise, the student is again threatened to be dismissed by the employer before termination of the work agreement. The student does not provide the activity to benefit himself/herself, as well as does not make his/her own profit. It is the employer who supplies the student with work equipment and furnishes the office the student works in (Stádník, Kieler, 2014). The work is performed as the employer's business activity. The student conducts his/her internship personally, the death of the student results in end of the employment relationship. The student has to work to gain more than theoretical knowledge. In form of internship, the student is completing a requirement to complete the state exam.

In addition, other supporting features of dependent work are often present. If it fulfills long-term character, several hours of work, the sooner it has to meet several days of professional practice. The student voluntarily chooses the provider of internship. The student in a legal relationship is definitely not the one who should bear the burden of business risk. During the internship, the parties might come to conclusion to continue

cooperation, at least some providers pay financial remuneration for the performance of student work, respecting the legislation practice of the Czech Republic.

The performance of internship, when the student is not conducting work in a distance model is defined as a dependent work, according to current legislation and the regulations of the Labour Code. Therefore, professional practice must be performed in form of one of the labour relations, where the student is entitled for wage, salary or other form of financial remuneration. It depends what kind of contract agreement was made between the parties. If agreement about performing a job was not signed, it does not mean that the student-employee is not entitled to get financial remunaration for work performed.

Moreover, the student meets the definiton of an employee, and is a person who is committed to performing dependent work. The provider resp. employer is the person for whom the natural person has committed to carry out dependent work. According to his/her instruction, the work is conducted. By subordinating these terms as well, the legal relationhip on behalf of professional practice is confirmed.

Based on the current legislation, there is nothing to prevent any of the three above-mentioned contracts from being concluded on professional practice. At least no obstacle was found. For long-term internship, it is definitely recommended to conclude employment contract, while for short-term, work agreement to complete a job is enough. In accordance with the principle of freedom of contracting, there is no need to restrict the contracting parties. Entities will choose the legal relationship beneficiary for both parties. In case of the work conducted on the basis of agreement to complete a job (also contract about performance) is possible to negotiate all aspects and no restrictive practice is applied. The contract in any case requires written form. The employer is strongly recommended to conclude one of the contracts about performing a dependent work with the student.

According to our opinion, the legislation was wrong when wanted to allow professional practice without financial remuneration for the student since it did not make exception for professional practice.

Exclusion of internship under the Voluntary Service Act

Not only we have confirmed conducting internship according to the Labour Code, as a supporting confirmation to this statement, arguments excluding professional practice according to other effective regulations can be cited. Internship cannot be classified as a voluntary service. In an effort to help the individual or contribute to the society as a whole, the volunteer helps people in difficult situations, or for example supporting the sustainable development of the environment by a volunteer activity. The most important characteristics of volunteerism include: solidarity, altruism and similar principles, collectively referred to as human values. The Volunteer Service Act, § 1(1) defines that the volunteer carries out his/her activity on a volunteer basis, without being entitled to financial remuneration. Volunteers perform their service based on their volunteer decision (belief) for the benefit of another person, accepting that there is no financial remuneration for their work. If there were no special regulations and rules about this relationship between the parties involved, it could be categorized as an undeclared/illegal work.

Standards, as well as higher principles regulating the performance of volunteer service are diametrically opposed to professional practice. The student who is choosing internship does not have an intention to contribute to better situation of individuals or benefit the society. These are the reasons why internship cannot be classified as a volunteer practice. The legislation identifies relationship between the parties, where work performance is carried out without an obligation for financial remuneration. There is no similar exemption for traineeship in the currently existing legal practice.

Exclusion of internship in the regime of unnamed contract of the civil law

Entities shall not be prevented from concluding, on behalf of the principle of autonomy of the will of the parties, in the case that their relationship is less common, an agreement that does not conform to any lawful contractual type (Švestka, 2014). Some atypical contracts due to their peculiarity and lower frequency applied cannot be categorized under any of the contract types regulated by private law standards (Stránský, 2014). The classification of the contract as a particular type, cannot be influenced by the parties. Their will determines the content of the contract, but what type of contract this content represents, it is not possible to modify by them. Negotiated unnamed contracts are not in the vacuum. If the parties did not negotiate a partial question among themselves, even in this case it is necessary to rely on something (Supreme Court 33 Cdo 645/2016). Standards of the contractual type that are closest in content and purpose are used (Explanatory Memorandum to the Civil Code, Kudrna, 2001). When we search for closeness, we ask for the economic and social function of the contract, which is reflected in the law-adjusted contract type. Then it is analyzed whether the contract is not in conflict with mandatory provisions of the contract type, whether it is contrary to good morals and public order (Švestka, 2014).

If we were to determine the essentials of a professional practice contract, we would probably identify them as the day of starting the practice, the place of practice and the type of activity the student will perform, the scope of working time and the period for which the practice is concluded. Answers for the following questions will be provided: „Where the internship activity is delivered? What is the starting date of the activity? What is the lenght of this activity? What will be included in job description? It is not possible to view professional practice as an unnamed obligation according to the Civil Code since its essentials do not come close to the definition of any civil code of a more detailed contract type. The essentials of the professional practice contract are by far the essentials of labor obligations (§ 2401 of the Civil Code).

Exclusion of internship in the regime of unnamed contract of the labour law

The current link between the labour and civil law allows the parties to sign unnamed contracts. Unnamed contract cannot be concluded where the Labour Code operates with a closed calculation. This situation is defined in § 3 of the Labour Code. The legislation used the expression *„exclusively“*, thus making the calculation of basic relationship enumerative.

There is no other, even unnamed, basic labour-relationship included in the Labour Code beyond the employment relationship and legal relationship based on agreement to complete a job and the agreement to perfom work, in which dependent work could

be performed does not exist. Thus, the law does not allow the parties to negotiate a new, unnamed labour-law obligation in which they would remove pay as a condition of performing dependent work.

Using the existing partial liability regulation as an additional supporting argument

In the case of subordination below the scope of labour law, the following arguments can be supported. The legislature itself foresaw a liability relationship similar to the nature of the relationship that occurs in an explicitly standardized basic labor relationship in the sub-standard concerning the liability of the student for damages, but also the providers of internship.

According to § 391 of the Labour Code, university students are liable to the university for damage caused by them during their studies or internship in the framework of study programme run by the university or in direct connection with it. If the damage was caused during the study, the internship or in direct connection with it by another legal or natural person, the students should be liable to the natural or legal person, where their study or internship took place. The student has responsibility towards the provider in a similar way as it is in the employee-employer relatioinship. According to § 319 (4) of the Labour Code, the university is responsible for the damage caused by the university student resulting from breaching legal obligations or an accident during their studies or internship in the study programme realized by the university or in close connection to it. If the damage was caused during the study or the internship and in close relation to the mentioned activities, the responsibility is taken by the natural or legal person conducting his/her study or internship. The provider is also liable for the damage to student, similarly to the employee-employment relationship.

Conclusion

The scientific paper introduced arguments supporting the opinion that internship in the model of professional practice and the model administrative practice must be performed based on one of the basic labour relations regulated in the Labour Code. The authors of this article came to this conclusion by applying analysis of supporting characteristics of dependent work. They also excluded the possibility of internship under other effective law of the Czech Republic. The possibility of a professional internship conducted with innominate (unnamed) contract was also analyzed and refused.

The legislation should react for this state of situation. The inspiration of de lege ferenda can be found in the Slovak legislation. A new traineeship agreement should be formulated beside the currently existing agreement on work done outside employment relationship. It would be certainly efficient to stipulate law about an internship of university students, where the student is conducting the work actively and not in distance form.

The conclusions adopted by the authors of the article correspond with the protection of the individual. The Requirment of the International Labour Organization about the sufficient conditions of life (Srov. Horecký, 2019) and providing work-life balance might contribute to securing social standards and eliminating all forms of unpaid work. The issue of unpaid practices has also been the subject of debate in the field of 101. The International Labour Organization Conference in 2012 adopted a resolution aiming

at ensuring paid traineeship (ILO, 2012). The conclusions presented by the authors correspond not only to the global trend, but also to the direction and objectives of the European Trade Union Movement. The proposals discussed correlate with the findings of the Committee on Youth and the European Youth Forum (Observations of the European Trade Union Confederation, 2018), which draw attention to unfair practices in the implementation of traineeship under the slogan *„Traineeship can be either fair or unpaid, not both"*, as well as the decision-making practice of the European Ombudsman (Case 454/2014/PMC), which evaluates the unpaid traineeship as a discriminative practice, since only those who have sufficient financial resources can conduct this as an unpaid activity. The analysis of the European Parliament – Policy Department: Economic and Scientific Policy (Broek, 2017), warns the attention of the possible dangers on the labour market resulting from unpaid traineeship that might put ordinary employees into disadvantaged situation. The results of the study reflect the conclusion of the authors – the traineeship should be a paid employment relationship between the employer and the trainee.

The issue addressed in this article and the conclusions adopted reflect the current efforts to ensure social standards.

References

1. Ballenberger, K. 1937. Pojem smlouvy učební, volontérské a praktikantské. Pracovní právo. Časopis pro výklad pracovních a sociálně pojišťovacích zákonů, 16 (1), 4-7.
2. Ballenberger, K. 1937. Pojem smlouvy učební, volontérské a praktikantské. Pracovní právo. Časopis pro výklad pracovních a sociálně pojišťovacích zákonů, 16 (2), 19-21.
3. Barancová, H. 2017. Zákonník práce: komentár. Bratislava: C. H. Beck, 1398.
4. Bělina, M. a kol. 2017. Pracovní právo. Praha: C. H. Beck, 1152.
5. Bělina, M. a kol. 2015. Zákoník práce. Komentář. Praha: C. H. Beck, 1154.
6. Broek, S. and coll. 2017. Skills Development and Employment: Apprenticeships, Interships and Volunteering. Brussels. European Union, 18.
7. Burchill, F. 2016. International and Comparative Employment Relations: National Regulation, Global Changes. E-journal of international and comparative studies 5 (2), 140-156.
8. Colnar, S., Dimovski, V., Bogataj, D. 2019. Knowledge Management and the Sustainable Development of Social Work. Sustainability, 11 (22), 50-68.
9. Currie, Gr; Spyridonidis, D., Oborn, E. 2019. The influence of HR practices upon knowledge brokering in professional organizations for service improvement: Addressing professional legitimacy and identity in health care. Human Resource Management, 1 (1), 85-87.
10. Dolzhenko, RA., Karpilianskii, VA., Hady, RA., Didenko, AS. 2019. Young scientists´motivation for research aktivity in Russian regional universities. Obrazovanie i nauka-education and science, 21 (9), 122-153.
11. Erény, T.,Vejsada, D. 2015. Neplacené praxe a stáže – aktuální vývoj z pohledu rizika nelegálního zaměstnávání. Personální a sociální právní kartotéka, (2) 7, Wolters Kluwer ČR, 4-15.

12. European committee of social rights. Observations of the European Trade Union Confederation – Collective Complaint European Youth Forum (YFJ) v. Belgium, Complaint No. 150/2017. from 16th of April 2018.
13. Galvas, M. a kol. 2015. Pracovní právo. Brno: Masarykova univerzita, 117.
14. Horecký, J. 2019. 100 let od vzniku Mezinárodní organizace práce – důstojná práce. Praha_ Sondy, 8-11.
15. Horecký, J. 2012. Závislá práce. COFOLA 2012. Sborník příspěvků z mezinárodní konference pořádané Právnickou fakultou Masarykovy univerzity, 1635.
16. Hrdličková, A. 2013. Odborná praxe v prostředí vysokého školství. Brno: Masarykova univerzita, 5-15.
17. ILO. International Labour Office. 2012. The youth employment crisis: A call for action. Geneve, 7-19.
18. Kieler, P., Stádník, J. 2012. Nejvyšší správní soud – nelegální práce a koncentrace řízení. Práce a mzda, 4 (7), 9-16.
19. Klega, J. 2016. Neplacená praxe ve firmách: studenti i zaměstnavatelé na hraně zákona. [online] [cit. 2019-09-04] Available on: https://www.epravo.cz/top/clanky/neplacena-praxe-ve-firmach-studenti-i-zamestnavatele-na-hrane-zakona-100528.html
20. Kudrna, K. 2001. Přípustnost inominátních a smíšených smluv v českém právu soukromém. Právní rozhledy. 7 (11), 16-18.
21. Mynářová, T. 2017. Očima zaměstnavatelů. Má se stážista platit? [online]. [cit. 2019-09-07] Available on: https://www.penize.cz/zamestnani/321730-ocima-zamestnavatelu-ma-se-za-staz-platit
22. Pélissier, J., Gilles, A., a Dockčs, E. 2013. Droit du travail. Paříž: Dalloz, 6.
23. Podhrázký, M. 2014. K posuzování nelegální práce (znaky závislé práce). [online]. [cit. 2019-09-07] Available on: http://www.bulletin-advokacie.cz/k-posuzovani-nelegalni-prace-znaky-zavisle-prace
24. Stádník, J., Kieler P. 2014. Závislá práce a odměna jako její znak. Práce a mzda, 9 (5), 9-12.
25. Stránský, J. 2012. Pojem závislá práce a jeho význam pro vymezení předmětu pracovního práva. Pracovní právo 2012. Závislá práce a její podoby. Sborník příspěvků z mezinárodní vědecké konference, 22-41.
26. Stránský, J. 2012. Základní identifikační znaky závislé práce. COFOLA 2012. Sborník příspěvků z mezinárodní konference pořádané Právnickou fakultou Masarykovy univerzity. 16-23.
27. Stránský, J. 2014. Vývoj a postavení pracovního práva jako soukromoprávního odvětví. Brno: Masarykova univerzita, 18-25.
28. Štefko, M. 2013. Vymezení závislé a nelegální práce. Praha: Univerzita Karlova v Praze, Právnická fakulta, 15 - 35.
29. Švestka, J. a kol. 2014. Občanský zákon: komentář. Praha: Wolters Kluwer, 88 - 110.
30. Vysokajová, M. a kol. 2015. Zákoník práce. Komentář. Praha: Wolters Kluwer, 15 - 90.

Authors contact:
JUDr. Jan Horecký, Ph.D., Masaryk University Brno, Faculty of Law, Department of Labour Law and Social Security Law, Veveří 158/70, 611 80, Brno, Czech Republic. Email: *jan.horecky@law.muni.cz*
ORCID: *https://orcid.org/0000-0001-8933-6624*

Mgr. Michal Blažek, Masaryk University Brno, Faculty of Law, Department of Labour Law and Social Security Law, Veveří 158/70, 611 80, Brno, Czech Republic. Email: *michal.blazek@law.muni.cz*
ORCID: *https://orcid.org/0000-0001-9147-4233*

Jašková, D. (2019). Assessment of social developments in Slovakia in the context of human resources. Central European Journal of Labour Law and Personnel Management, 2 (2), 21-32.
doi: 10.33382/cejllpm.2019.03.02

ASSESSMENT OF SOCIAL DEVELOPMENT IN SLOVAKIA IN THE CONTEXT OF HUMAN RESOURCES

Dana Jašková [1]

[1] Faculty of Social and Economic Relations, Alexander Dubček University of Trenčín, Trenčín, Slovakia

Received: 26. August 2019, Reviewed: 03. October 2019, Accepted: 15. November 2019

Abstract

Human resources are a primary source for development of a country. The importance of social policies and human resources for social development is a matter of particular consideration in today's globalizing society. Social development, human capital, human resources are factors that are related. The problem of the country's social development is a topical issue throughout the European Union. When analyzing the development of social development of the country, several concepts and methods are applied in practice. The aim of the article is to compare the development of social development in Slovakia using a composite indicator. Composite indicators as a tool for ranking objects are becoming more and more popular. The article describes various methods of its construction, their advantages and disadvantages. The construction of this aggregate indicator is based on the application of more complex and multidimensional statistical methods. The result of the statistical survey is a finding of steady growth of social development in Slovakia. The close negative dependence between social development and unemployment is illustrated.

Key words*:* Human resources, social development, composite indicator

DOI: 10.33382/cejllpm.2019.03.02

JEL classification: J24, C52, R23

Introduction

The economic growth and social development are complementary and close relationship constraints. The quality of life of the citizen is the result of the development in the ociety. In order to build an advanced society, it is necessary to ensure the interconnection of three basic pillars. The first pillar is the development of production, the second is

the scientific and technological progress and the third is the social development of individual. The functions and tasks of social development are very important in the development of society. Social development is the satisfaction of the basic, reproductive and developmental needs of individuals. It is measurable and comparable using various indicators.

Development generally means higher quality and better standard of living in a defined area. Development has both qualitative and quantitative character. Development can be understood as a process of certain changes, which subsequently increases the efficiency and effectiveness of the use of exogenous and endogenous resources (Habánik et al., 2014).

Many different interpretations are provided for social development in practical and theoretical terms, often resulting from different levels of discrimination. This level is chosen by individual authors to determine and define the structure of the category. The social development of society proceeds as a continuous process, which is influenced by a complex of factors of different nature (social, economic and demographic) (Stanek, 2008). Social development is the development of social activities that contribute to meeting the material needs of people (nutrition, housing, clothing, care and health of the so-called need for population reproduction), social needs of people and social security. Social development is closely linked to the development of the social system, especially society as a whole. Social development has a broad dimension and is also influenced by various social processes. The most important factors influencing social development are - needs of individuals and the society, way of life and human development, reproductive process. The social infrastructure in form of health care, education, sport, culture and art promote a sustainable social and economic development of the region and contribute to improvement of citizens' quality of life (Serkova et al., 2018).

Human resources are the cornerstone of the country's development. Human resources, human capital are inherent factors that influence social development. Social development is closely linked to the efficient use of human resources capacity (Koišová et al., 2018).

The social development of the country is closely linked to unemployment. Unemployment, as a result of labour market imbalances, is not only an economic problem but also a social one. Unemployment is also an important political indicator. The social consequences of unemployment are the following: increasing social tensions, disrupted social reconciliation, decreasing standard of living, declining social awareness and cultural standards of the population, marginalizing layers of unemployed. The consequences of unemployment have negative effects on the overall economy of the country as well as have negative impact on the individual and his family.

The ESDE document (2018) examines the impact of demographic trends in the EU countries on intergenerational equity and subsequently analyses the key issues of employment and social development. According to the document, the recent work and social trends are positive. The economic growth affects the employment and contributes to improvement of the social situation. The EU is increasingly moving towards its 75% employment target for 2020. The unemployment rate has fallen in each member state, the social situation is gradually improving. Higher incomes from work combined with social transfers increased the disposable incomes. According to the latest available

data, 5,6 million people are at risk of poverty or social exclusion. The tendency has improved since 2012. The income inequality has been very stable in recent years. (ESDE, 2018)

The social development in Slovakia is evaluated by using an aggregate indicator known as the Composite Indicator (CI). A detailed methodology for its construction was published by the OECD in 2008 (OECD, 2008). The OECD's Handbook on Constructing Composite Indicators (Nardo et al., 2005) describes different methodologies that can be applied to combine varied information into a QoL index and the difficulties associated with each part of the process. Saisana et al. (2005) describe seven steps in which uncertainties arise in construction of the composite indicator: selection of sub-indicators, data selection, data editing, data normalization, weighting scheme, weight's values and composite indicator formula. Ideally, weights should reflect the different importance that individuals associate with each of the underlying dimensions of QoL; however, importance varies and it is controversial to determine empirically an appropriate set of weights.

A composite indicator is an indicator that is constructed from several sub-indicators, which are often non-directional, have different levels and variability and exhibit different degrees of interdependence in pairs. Sub-indicators assess the region from various, often ambiguous, perspectives. The composite indicator, constructed from these sub-indicators should allow a more comprehensive, coherent and synthesizing view of the level of the region (Minařík, 2013). Composite indicators comparing regional performance are increasingly recognized as a useful tool in policy analysis and public communication. The number of CIs in existence around the world is growing. Bandura (2008) cites more than 160 composite indicators.

Despite the growing interest, composite indicators represent a controversial issue. The lack of a standard methodology for calculation and, in particular, the presence of subjectivity involved in the method of construction, contributes to increase of distrust (Booysen, 2002). This raises questions: What is the overall phenomenon of the aggregated indicator? What sub-indicators should be included? How they should be merged? How to deal with the missing data?

Aggregation fulfils an important purpose of object comparison. The development of landscape can be monitored using a composite indicator. It summarizes and completes the view of such multi-faceted phenomena as human development, social inclusion, knowledge economy and competitiveness. However, the summarizing process inevitably leads to a loss of basic information. Micklewright (2001) warns about the danger caused by absence of a good composite index. The excessive public attention can again focus on one or several dimensions, thereby abolishing the original intention to render a multidimensional phenomenon. In fact, this could endanger the credibility of evaluation of regions.

The aim of the article is to construct a composite indicator that captures important aspects of Slovakia's social development in the period 2000-2017.

Theoretical background

The assessment of social development of the region is diverse, taking into account the purpose pursued, the choice of method and its correct application, and selection of indicators for their evaluation. A key role is played by the way they are integrated into a single indicator and the subsequent correct interpretation of the results (Michálek, 2014). The indicator represents a special subset of the statistical results. It is a statistical tool that monitors the nature and level of phenomena and processes, as well as monitors their development. This implies certain characteristics of the indicator:

- significant, relevant, understandable,
- transparent,
- analytical,
- complete,
- credible,
- internally comparable, externally comparable,
- intertemporal (Michálek, 2014).

These requirements must be respected when selecting the appropriate indicators. The number of indicators should be neither small (distorted real situation) nor too large (loss of clarity and transparency of interpretation). Indicators must be regularly measured and officially published. Some institutions may be mentioned (OECD, EUROSTAT, ŠAÚ SR), documents (National Strategy of Regional Development of the Slovak Republic, Europe 2020 Strategy) and authors (Kutcherauer, 2010; Sloboda, 2006; Michálek, 2014; Nardo et al., 2005) who are scientifically involved in selecting the appropriate indicators.

An integrated approach to issue is required when assessing the social development of a country. This is related to the construction of the composite indicator (CI). There are currently several ways to calculate it. One of the most modern approaches is the construction of the so-called ´Benefit of the doubt´ composite indicator (Rogge, 2012; Cherchye et al., 2007). Its construction is using DEA models (Verschelde, Rogge, 2012).

The construction of *CI* composite indicator can be described by the following steps:

1. Determining the theoretical framework
2. Selection and combination of individual sub-indicators, assessment of their material significance and statistical characteristics normalization and aggregation of original indicators, determination of their weights (scoring method, standard variable method, distance from fictitious object)
3. Add missing data
4. Multi-criteria analysis
5. Normalization
6. Assign weights to a pointer
7. Aggregation
8. Uncertainty analysis
9. Return to original data
10. Linking the constructed composite indicator to the original indicators
11. Visualization of results.

Summary indicators have both advantages and disadvantages. The following table briefly summarizes the positive and negative aspects of the aggregate indicators.

Table 1 Advantages and disadvantages of summary indicator

Advantages	*CI* can be used to summarize the complex phenomenon and thus to facilitate decision making.
	CI may be easier to interpret than the set of indicators used to construct it. It simplifies the comparison of individual regions on the basis of complex measures.
	CI may be of interest to the public by allowing easy comparison of the performance of a given region over time with other regions.
	CI can help simplify the set of indicators while adding new information.
Disadvantages	*CI* may lead to incorrect and non-robust conclusions if it is not properly constructed or interpreted.
	The possibility of a simple interpretation of CI may lead to simplified conclusions. *CI* should be used together with input indicators to more sophisticated conclusions.
	The construction of *CI* involves several decision phases.
	Using weights can be a source of different opinions.
	The use of *CI* increases the amount of data required because it is necessary to collect data for all input indicators. Missing data reduces the quality of statistical analyses.

Source: Saisana and Tarantola, 2002

Methods for the compilation of aggregate indicators include direct aggregation techniques, methods used for data purification, their modification, statistical processing and control of the results obtained and their presentation. A well-designed aggregate indicator should always include trends as well as contradictory developments of individual components and factors. When constructing the composite indicator, it is important to proceed from the correct definition of the measured characteristics, also from the knowledge of the essential links of the problem (Hrach, Mihola, 2006). Advantages and disadvantages associated with the creation of summary indicators can be divided according to Hrach and Mihola (2006) into non-mathematical (subjective) and mathematical (objective). Subjective advantages make it possible to summarize complex or multidimensional data, they can be more easily compared to each other, whether between individual objects or to track developments over time. Subjective disadvantage might be detected in case of inappropriate construction misinterpretation. They can lead to erroneous conclusions and strongly influenced by the choice of sub-indicators used or by the weighting. One of the objective advantages is that aggregate indicators reduce the number of variables. Objective disadvantages include the fact that it is impossible to do without knowing the values of all the variables included in calculation.

In mathematical terms, it is necessary to keep in mind the aggregate indicators that are generally valid for all mathematical models. These indicators can never perfectly describe the reality as a whole, they only testify to the part that has been described by the data, and the telling level is always due to the methods used to process the data (Hrach, Mihola, 2006).

Material and methods

Methods of construction of the aggregate indicator can be divided into statistical-analytical methods, which are focusing on selection of sub-indicators and statistical-descriptive methods, allowing the calculation of the aggregate indicator. The essence of analytical methods is to verify the validity of hypotheses about the significance of individual variables and the suitability of the model in terms of their mutual relations. These methods can be classified as exploratory or extrapolation methods of data analysis.

One-dimensional statistical methods are based on the calculation of basic statistical characteristics, as well as on graphical and tabular representation of data. The basic statistical characteristics provide information on the properties of the population in terms of revealing variability, degree of symmetry and skewness, the normality of distribution, also revealing outliers and suspects in the selection. The identification of outliers is the first impulse to doubt whether the data originates from a normal distribution. This assumption is important, but is often not critical to all methods. Partially, normality can be assessed using a probability graph. Exact tests are used for calculation (Shapiro-Wilk, Kolmogorov-Smirnov).

Multivariate methods do not have predefined hypotheses that would lead to a decision to accept or not. These methods depend on the experience of analysts, expertise and knowledge of the subject matter. When constructing aggregate indicators, these methods serve to find the optimal number of key indicators. These are Cluster analysis, Correlation analysis, and Principal component analysis. The methods of multivariate statistical analysis provide us with solutions to the following tasks:

- reduce excessive number of variables,
- multidimensional classification, which allows rules to be set according to which objects are assigned to one of several groups,
- object typology, ordering or hierarchical sorting into relatively equal groups and ordering of these groups according to selected criteria.

The statistical-descriptive methods allow the computation of the aggregate indicator using aggregation techniques and an analytical-hierarchical process, which is based on different ways of determining weights for individual indicators when aggregating them. The starting point of all these methods is the matrix of entities (municipality, region, state) and their sub indicators. The aggregate indicator may be developed in the form of weighted and unweighted. In the form of unweighted, each indicator of equal weight enters the calculation of the CI aggregate. In the weighted form, weights are assigned to individual sub-indicators according to the selected method. (OECD, 2008)

Throughout this section, we will use the following formula:
y_i^t*:* value of indicator *i* in Slovakia at time *t*, where *i=1,…,n*.
I_i^t*:* normalized indicator value *i* at time *t*.
$w_{(v,i)}$*:* the weight associated with the indicator *i* where *v=1,…,V* is the method of determining the weight of the indicator,
CI^t*:* the value of composite indicator at time *t*.

The following methods can be used to normalize input indicators: Normalisation based on interval scales, Standardisation z-scores, Min-Max, Distance to reference, Indicators above or below the mean, Methods for cyclical indicators and Percentage of annual differences over consecutive years.

We can define the weight in the context of composite indicator creation as a value that expresses the relative importance of the indicator in comparison with others. Determination of the weights of the indicators involved in the composite indicator can be accomplished by several methods. They can be divided into two groups. The first group consists of subjective decisions. This includes the following methods:

- Expert decision, according to which weights are assigned to individual indicators based on the judgment of selected experts. It is a subjective method and recommended to apply for a number of indicators less than 10 (Hrach, Mihola, 2006).
- Scoring method, where the importance of the indicator is determined on the basis of the number of points awarded ranging from 0 to 100 (the more significant the criterion, the more points are assigned to it). The sum of the points assigned to all criteria is 100. The standard weights are then calculated as a ratio of the points assigned to j-pointer and the sum of all points.

The disadvantage of these weighting methods is a high degree of subjectivity, which is based on personal perception of preferences.

The second group consists of methods that are based on an accurate (objective) assessment of the weights of the original indicators. The following 7 methods are used to construct the composite indicator (*v*=1,…,7):

1. Equal weighting (EW)
2. Principal component analysis (PCA)
3. Benefit of the doubt (BOD)
4. Unobserved components models (UCM)
5. Budget allocation process (BAP)
6. Analytic hierarchy process (AHP)
7. Conjoint analysis (CA)

There is no uniform approach for aggregating individual indicators into one aggregate indicator. Saisana and Tarantola (2002) list several basic types of aggregation techniques that they consider as representative of the basic methods of aggregation. These methods are divided according to the way of inclusion of sub-indicators in the calculation into linear, geometric and multicriterial. Aggregation methods also vary. While the linear aggregation method is useful when all individual indicators have the same measurement unit, provided that some mathematical properties are respected.

Geometric aggregations are better suited if the modeller wants some degree of non-compensability between individual indicators or dimensions. The MCA method is recommended when highly different dimensions are aggregated in the composite, as in the case of environmental indices that include physical, social and economic data. The following table shows the compatibility between different methods of aggregation and weighting:

Table 2 Compatibility between different methods

Weighing methods	Aggregation methods		
	Linear	Geometric	Multicriterial
EW	yes	yes	yes
PCA/FA	yes	yes	yes
BOD	yes (Min-Max normalization)	No	No
UCM	yes	No	No
BAP	yes	yes	yes
AHP	yes	yes	No
CA	yes	yes	No

Source: OECD, 2008

Results and discussion

Social development is characterized by some selected official indicators. The selection of suitable indicators in this analysis is based on defined indicators of sustainable development. Sustainable development means a targeted, long-term, comprehensive and synergistic process that affects conditions and all aspects of life (cultural, social, economic, environmental and institutional). At the meeting on 18 April 1996 in New York, the United Nations Commission on Sustainable Development approved sustainable development indicators. 125 indicators from Slovakia were suitable for the whole set. The National Sustainable Development Strategy of the Slovak Republic, adopted in 2001, includes the main dimensions of sustainable development. Taking into account the specifics of Slovakia, 21 relevant indicators of sustainable development have been shown. The set of indicators consists of the environmental, economic, social and institutional pillar. The indicators from social pillar were chosen to assess the development of social development in Slovakia. Table 3 provides a detailed overview of the indicators under consideration together with their links to sustainable development (SD):

Table 3 Indicators of social development

SD issues	The theme of SD	SD indicators
Health state of population, factors influencing health state of population	Life expectancy at birth	Life expectancy at birth (males, females)
	Population with access to public sewerage and safe drinking water	Share on population supplied by water from public water-supply system
		Share on population connected up to public sewage system
	Fertility	Fertility
Demographic development	Demographic change	Development of basic demographic indicators
Urbanization trends	Population migration and urbanization trends	Population migration
Land footage	Build-up areas	Surface area
Transportation	Consequences of transport	Accident frequency

Source: Enviroportal.sk

For further analysis, three indicators were processed from demographic data: Mean age of mother at birth, Increase of the population and Health facilities. Life expectancy at birth was studied separately for women and men. Thus, 11 indicators entered the analysis.

The input data underwent a statistical analysis. Data consistency and multi correlation were excluded from the analysis. Given different unit of data examined, they were normalized by the Min-Max method according to the following:

$$I_i^t = \frac{y_{(i,t)} - y_{min}}{y_{max} - y_{min}}$$

in case of positive scope and in case of negative scope of the indicator according to the relationship

$$I_i^t = \frac{y_{max} - y_{(i,t)}}{y_{max} - y_{min}}$$

where x_{max} is a maximal value of *i*-th indicator and x_{min} is minimal value of *i*-th indicator for the period under review T=12. The first EW method was used to determine the weights of individual indicators. Using equal weighting method, the equal weight is calculated for each indicator:

$$w_{1,i} = \frac{1}{Q}$$

where Q is number of indicators. There is a risk that pillar with more indicators will have a higher influence in the composite indicator. There is only one pillar in our case. The main strength of the method is the simplicity.

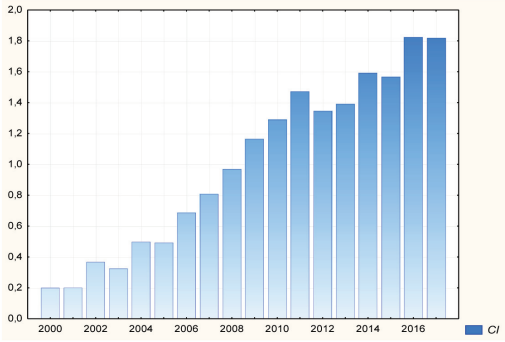
The principle of using the above method was that the values of indicator i were also compared for the monitored period 2000 - 2017. The worst year was marked with value 0, while the value was 1 in the best year. For most indicators, the worst year was 2000, and the best year 2017. Indicator y_5 - Fertility provided the worst performance in 2002, indicator y_7 - Increase of the population in 2001 and indicator y_{11} - Accident frequency performed badly in 2006. On the other hand, y_7 showed the best values in 2011, while indicator y_8 - Health facilities reached the lowest value in 2012.

Subsequently, a composite indicator was calculated for each reference year, t using a linear aggregation method based on the following:

$$CI^t = \frac{\sum_{i=1}^{n} I_i^t . w_{1,i}}{\frac{\sum_{i=1}^{n} \sum_{t=1}^{T} I_{i.}^t w_{1,i}}{T}}$$

The average of CI value is 1. The lower the value is; the worse evaluation is achieved. The development of composite indicator following social development is clearly illustrated by the following bar graph.

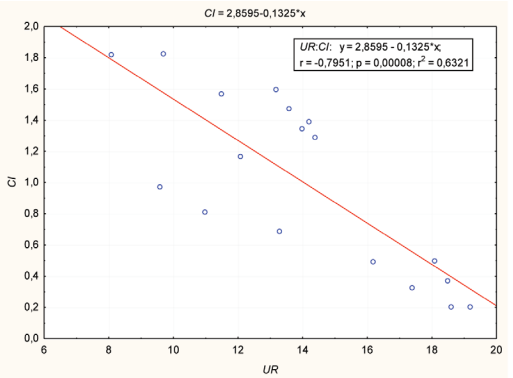
Figure 1 Progress of CI social development in SR



Source: own processing

The figure clearly shows the increase of social development in Slovakia. A slight decline can be detected between 2002 and 2003. Therefore, $CI^{2003} < CI^{2002}$. During this period, a decrease of population migration indicator was recorded. Another significant decrease was recorded between 2011 and 2013, when $CI^{2011} < CI^{2012} < CI^{2011}$. In this period, the following indicators decreased significantly: Fertility, Increase of the population and Migration of population. A slight decrease also occurred between 2014 - 2015. The following indicators showed decline as well: Natural increase, Population migration. It can be assessed that fluctuation in social development was caused by fluctuations in demographic indicators. This is a general problem for all developed countries of the European Union.

Subsequently, the relationship between social development and unemployment was analysed. The following graph shows the interdependence between the Composite indicator *CI* of social development in Slovakia and the Unemployment rate *UR*.



The degree of tightness of the relationship under investigation is quantified by a correlation coefficient r=-0,7951. Probability value p=0,00008 indicates a statistically significant negative correlation relationship between CI and UR. Thus, with declining unemployment rates, social development in Slovakia is increasing. The GDP growth in the UN 2030 Agenda is no longer considered a key indicator of the development of society. It is recommended to focus on a set of indicators that measure quality of life. Four integrated development programs are preferred with 77 indicators for monitoring and analysis recommended. Priority is given to indicators of the quality of life and human resources development. Some of them are related to employment or unemployment.

Conclusion

Sustainable development is a comprehensive set of strategies that enable economic tools and technologies to meet peoples' social needs, while fully respecting the environmental limits. Sustainable development is a way of development that meets the needs of the present without compromising future generations. Social development is an important pillar of sustainable development. Social development indicators and their analysis enable a quantitative assessment of the country's social development. The correct interpretation of the indicators under review constitutes an integral part of the evaluation of regional policy. It provides space for planning improvements in the development of the country.

The article evaluates the social development of Slovakia using selected indicators of social development. The composite indicator is used to comprehensively evaluate the position of the country in the social area in the period under review. The relationship between the social development of the region and an important indicator of human resources is also examined. The relationship between the composite indicator and the unemployment rate is also reported. A statistically significant negative relationship was demonstrated.

This approach characterizes Slovakia as a country with a continuous increase in social development.

References

1. Bandura R. 2008. A Survey of Composite Indicies Measuring Country Performance: 2008 Update. United Nations Development Programme – Office of Development Studies. [acc.: 2019-08-14]. Available at: https://www.undp.org/content/dam/undp/library/corporate/Development%20Studies/indices_2008_bandura.pdf
2. Booysen, F. 2002. An Overview and Evaluation of Composite Indices of Development. Social Indicators Research, 59 (2), 115-151.
3. Employment and Social Developments in Europe review (ESDE). 2018. European Commission. Directorate-General for Employment, Social Affairs and Inclusion. Luxembourg: Publications Office of the European Union.
4. Cherchye, L., Moesen, W.,Rogge, N., van Puyenbroeck, T. (2007). An introduction to ´benefit of the doubt´ composite indicators. Social Indicators Research, 82, 111-145.
5. Habánik, J. et al. 2014. Regionálna ekonomika a rozvoj. Trenčín: FSEV TnUAD.
6. Hrach, K., Mihola, J. 2006. Metodické přístupy ke konstrukci souhrných ukazatelú. Statistika, Praha: ČSÚ, 5, 398-418.
7. Koišová, E., Masárová, J., Gullerová, M. (2018). Trends in inclusive labour market developments in the Visegrad group. Social and Economic Revue, Trenčín: FSEV, 16 (4), 41-52.
8. Kutscherauer, A. et al. 2010. Regionální disparity v územním rozvoji České republiky – jejich vznik, identifikace a eliminace. [acc.: 2019-08-14]. Available at: http://alkut.cz/edice_cd/cd10_regdis_monografie/pdf/region_disparity_monografie.pdf
9. Michálek, A. 2013. Vybrané metódy merania regionálnych disparít. [acc. 2019-08-10]. Available at: https://www.sav.sk/journals/uploads/12121204Michalek.pdf
10. Minařík, K., Borůvková, J., Vystrčil, M. 2013. Analýzy v regionálním rozvoji. Professiobnal Publishing, Příbram.
11. Micklewright, J., Stewart, K. 2002. Poverty and social exclusion in Europe: European comparisons and the impact of enlargement. New Economy, 104-109.
12. Nardo M., Saisana M., Saltelli A., Tarantola S., Hoffman A., Giovannini E. 2005. Handbook on constructing composite indicators: methodology and user guide. OECD Statistics Working Paper, Paris.
13. OECD (2008). Handbook on Constructing Composite Indicators. Methodology and User Guide. Paris: Organisation for Economic Co-operation and development.
14. Rogge, N. 2012. Undesirable specialization in the construction of composite policy indicators: The environmental performance index. Ecological Indicators, 23, 143-154.
15. Saisana M., Tarantola, S. 2002. State-of-the-art report on current methodologies and practices for composite indicator development. EUR 20408 EN, European Commission-JRC: Italy.
16. Saisana M., Tarantola, S., Saltelli, A. (2005). Uncertainty and sensitivity techniques as tools for the analysis and validation of composite indicators. Journal of the Royal Statistical Society, A 168(2), 307-323.
17. Serkova, A. E., Ignatyeva, E. D., Mariev, O. S., Lee, V. A. (2018). Do infrastructure factors influence social and economic development of russian regions? RPTSS

2018 InternationalConference on Research ParadigmsTransformation in Social Sciences. Irkutsk: Future Academy, 1047-1054.
18. Sloboda, D. (2006). Slovensko a regionálne rozdiely. [acc. 2017-277-1]. Available at: http://www3.ekf.tuke.sk/re/Disparity%2520a%2520perifernost/Regionalne%2520disparity/Slovens...
19. Stanek, V. et al. (2008). Sociálna politika. Bratislava: Sprint dva.
20. Štatistický úrad SR. [acc. 2019-06-20]. Available at: https://slovak.statistics.sk
21. Verschelde, M., Rogge, N (2012). An environment-adjusted evaluation of citizen satisfaction with local police effectiveness: Evidence from a conditional data envelopment analysis approach. European Journal of Operational Research, 223(1), 214-225.

Author contact:
RNDr. Dana Jašková, PhD., Alexander Dubček University of Trenčín, Faculty of Social and Economic Relations, Department of Economy and Economics, Študentská 3, 911 50 Trenčín, Slovakia. Email: *dana.jaskova@tnuni.sk*
ORCID: *https://orcid.org/ 0000-0002-7250-9207*

Mészáros, M., Divékyová, K. (2019). Immediate termination of employment relationship by the employer. Central European Journal of Labour Law and Personnel Management, 2 (2), 33-43.
doi: 10.33382/cejllpm.2019.03.03

IMMEDIATE TERMINATION OF EMPLOYMENT RELATIONSHIP BY THE EMPLOYER

Marián Mészáros [1] – Karina Divékyová [2]

[1] Faculty of Law, Trnava University in Trnava, Slovak Republic
[2] Faculty of Law, Trnava University in Trnava, Slovak Republic

Received: 20. October 2019, Reviewed: 30. November 2019, Accepted: 05. December 2019

Abstract

The article addresses the issue of immediate termination of employent initated by the employer. Termination of employment by the employer is interpreted as a unilateral legal act, under which the employer can terminate employment with the employee solely on the basis of defined reasons. The main objective is to point to problematic aspects of the Slovak legislation and to clarify their application with reference to judicial practice. The authors summarized the current legal background, analyzed the relevant court decisions, and applied logical thinking, using deduction, induction and synthesis in order to draw the appropriate legal conclusions. The article contains the comparison of the Slovak and the Czech legislation in the affected field.

Key words: Key words: termination of employment, immediate termination of empolyment, serious breach of employment discipline, intentional crime

DOI: 10.33382/cejllpm.2019.03.03

JEL classification: J80, J83, K31

Introduction

Labour wage is one of the sources of financial security for the citizens of each state. The Constitution itself guarantees its citizens the right to choose profession freely and prepare to conduct the chosen profession. The articles of the Constitution provide increased protection for the employees by guaranteeing fair and satisfactory working conditions; the right to receive remuneration for the work performed; protection of health and ensuring workplace security; the maximum permissible working time; adequate rest after work; the shortest permissible length of paid leave; the right for collective bargaining and the right to protection against arbitrary dismissal.

The Labour Code specifies the individual rights guaranteed by the Constitution of Slovakia. The right to protection against arbitrary dismissal protects the employee against the unilateral termination of employment by the employer. § 59 of the Labour Code defines the individual ways of termination of employment. While the employer has largely limited opportunities to terminate employment with an employee (the employer can terminate employment with the employee by termination or immediate termination on the basis it is defined in the Labor Code), the legislation allows the employee to terminate employment more easily (the employee can terminate employment for whatever reason). However, in order to have a valid termination of employment, both the employee and the employer have to meet the statutatory conditions.

As the immediate termination of employment directly affects the employee's guaranteed right to protect against arbitrary dismissal from employment, the issue is important not only in terms of the appropriate application of it, but has an increased importance in legal terms in the society that motivated the authors of this article to deal with this issue.

Theoretical background

Immediate termination of employment relationship by the employer is defined in § 68 of the Slovak Labour Code. By applying immediate termination of employment relationship, the employment relationship terminates immediately i.e. when this unilateral legal act is delivered to the other party of the employment relationship. Since the immediate termination of the employment relationship is a unilateral legal act, the interaction of the other party is not necessary. If the other party does not cooperate, i.e. not accepting or refusing to accept the written notice about the termination of employment, the Labor Code provides solution for these cases in § 38 (4). The employment relationship terminates immediately, regardless to the will of the other party. The agreement or disagreement of the other party is therefore irrelevant (in case of valid immediate termination of employment).

In order for the immediate termination of empoyment to be valid, the general legal requirements, as well as the requirements in § 70 of the Labor Code, according to which the termination of employment has to be delivered to the other party in a written form within the determined term. § 68 (2) of the Labour Code contains two terms of termination, each of which have a substantive character. These terms set in § 36 of the Labor Code are preclusive. The employer may immediately terminate the employment relationship with the employee within two months from the date he learned about the reason for immediate termination (subjective period), but no later than a year from the date the reason for termination arose (objective period). A statue of repose occurs at the end of one of these defined terms.

If the objective period expires earlier, and the employer becomes aware of the reason for immediate termination of employment more than a year since it occured, a statue of repose occurs as well as in situation when the employer learns about the reason for immediate termination of employment relationship, but fails to make the appropriate steps within two months, despite the fact that less than a year has elapsed since the reason occured. The objective period is thus the maximum framework, while the subjective period can only run within the objective period.

These periods have a strictly preclusive nature. If the employer misses this period, the immediate termination of employment relationship becomes invalid, regardless of whether the other conditions would be met for its validity.

For a valid immediate termination of employment relationship, it is necessary to determine the start of the subjective period. This period is calculated from the date when the employer learned about the decision of the employee to terminate employment, which may be the reason of immediate termination of employment relationship. The moment, when the employer becomes aware of this reason can be understood the moment when this information is provided by any of the employees in superior position. In case of larger institutions it is practically unrealistic the statutatory to be aware of all infringements. It is satisfactory if this information is acquired by the subordinate of the affected employee (Supreme Court of the Czech Republic No 21Cdo/3881/2008).

If an employee committed a breach of work discipline together with his/her superior, the employer will not gain information about it from the superior of the employee but will be aware of breach of work discipline other than being informed by the superior (Supreme Court of the Czech Republic 21Cdo/743/2007).

If a serious breach of work discipline by an employee occured abroad, the Labour Code regulates the postponement of the beginning of the subjective period. The subjective period in this case is also determined in two months, but starts with the employee return from the foreign country. However, the objective period remains unchanged, as well as the start date, which is a year after a day when the reason for immediate termination of employment relationship arose.

The Labour Code also regulates the postponement of the subjective period if in case of two months period when the breach of workplace discipline can be detected becomes the subject of proceedings by another authority. In this case, the employee might be immediately terminated within two months period starting with the date the employer was informed about the results of these proceedings. This applies if investigation is initiated within the original two-month period, provided that the objective period should be maintained.

The two months period (until 31/08/2007 it was only one month) may not be sufficient, especially in situation when immediate termination of employment relationship is delivered to the other party in form of a written notification by postal company. If the delivered document is not taken by the employee in term determined, its delivery is completed in accordance with § 38 (4) of the Labour Code, when the postal company returns the document to the employer as undeliverable or as the employer, by their action of neglect, hampered the delivery of such documentation (typically failing to collect the document within a determined period). This situation could practically be solved by shortening the storing of documentaion at the post office. The views on shortening the withdrawal period of the document differ. There is also an opinion that shortening of withdrawal period should not apply in case of delivering notice of termination or immediate termination of employment by the employer. However, according to our research, there is currently no established judicial practice on this issue, so we support the opinion that shortening of the withdrawal period should rather be possible.

The Labour Code does not prevent the immediate termination of employment relationship if the agreement about employment termination has already been concluded or the notice of termination of employment has been submitted, provided that the employment relationship is not closed, so the date of termination of employment relationship specified in the agreement has not passed yet resp. the notice period is in progress/unfinished. It may also be theoretically assumed that an immediate termination of employment relationship will take place in the period when the other party has already received the legal decision about termination of employment during the probation period, in which the latest date of employment termination was stated during the probation period, although these cases occur marginally in practice, as it is easier and more practical for the other party to take advantage of the latter termination of employment in the probation period. According to our opinion, however, the facts justifying the immediate termination of employment should apply resp. the other party should be informed about after concluding an agreement (until the date specified in the agreement as the date of termination of employment) resp. after the notice on termination of employment relationship has been delivered to the other party (until the end of the notice period), or the other party has received the notice of termination during the probation period (until the date of termination of the probation period). Otherwise, the reason for which the legal action to terminate the employment relationship has already been applied would be repeated, which is unacceptable.

By delivering the immediate termination of employment relationship, the employment shall terminate on the date when this unilateral legal act was delivered to the other party, regardless to the date of termination specified. Thus, any other data provided in immediate termination of employment relationship has no legal relevance – cannot affect when the employment relationship between the parties terminates. In case, the employer or the employee decide to terminate their employment relationship by choosing this method, they can influence when the employment relationship ends only after the decision about termination is delivered to the other party. If the date of immediate termination of employment relationship is different from the date of delivery of the document, the employment relationship terminates despite of the indicated date of delivery to the other party (The Supreme Court of the Slovak Republic, 31 March 2018, 3 Cdo 12/2008).

Immediate termination of employment can also be considered, according to scientific literature, as an exceptional method of termination of employment, which should be applied by the employer only in exceptional cases (Barancová, 2019). It is important to address this issue seriously, and should be applied in situation when it cannot be required from the employer to employ the employee during the notice period.

Material and methods

The main objective of the present scientific article is to assess the application of relevant provisions of the Labour Code, concerning the termination of employment relationship in comparison to relevant legal regulations of the Czech Republic. The comparison of the Slovak and Czech regulations is used in research of practical cases of immediate termination of employment relationship when the employee was lawfully convicted of an intentional criminal offence. The partial goal is to assess the signficance and practical applicability of the existence of the fundamental obligations of emoloyee in § 81 g)

of the Labour Code of the Slovak Republic in relation to the establishment of a presumption, which subsequently leads to termination of employment with the employee. Another sub-goal of this article is to highlight the possiblility of an employer to terminate the employment relationship with an employee, not only because the employee was lawfully convicted of an intentional criminal offence, but also for serious breach of discipline as the second legally permissible reason for immediate termination of employment relationship. The achievement of partial objectives is crucial in case of the personnel management of the companies and the internal processes with regard to the legal possibilities of terminating employment, preventing litigation as well as the possibility to plan the possible replacement of employees by other employees of the employer.

The basic assessment base for processing the presented scientific article is the legislation laid down in the Slovak and Czech Labour Code, while the conclusion of the comparative analysis are confronted with the conclusion of the legal practice, which to a certain extent deviates from the legal solutions of the addressed issue. Secondary data were obtained mainly from domestic and partially from foreign scientific literary soruces. As for the nature of the researched issue, we chose to apply selected qualitative methods. As a qualitative method, a critical in-depth analysis of the legal situation and the logical-cognitive methods were applied.

Results and discussion

According to § 68 (1) of the Labour Code, the employer can terminate the employment relationship only if exceptional circumstances apply.

The first reason an employer may terminate an employment relationship exceptionally is when the emoloyee was lawfully sentenced for committing a wilful offence. The second reason for termination of employment relationship is a serious breach of labour discipline by the employee.

Lawful sentence for committing a wilful offence

The provision of § 68, paragraph 1a) of the Labour Code provides first of the two reasons the employer can immediately terminate the employment relationship with the employee. The employer may immediately terminate the employment relationship if the employer was lawfully sentenced for committing a wilful offence.

In order to terminate the employment relationship is not enough to initiate prosecution, but the employee must be lawfully sentenced for an intentional crime. It is also irrelevant what kind of wilful offence the employee was sentenced for, whether or not this offence was related to employment (whether the offence committed by the employee was related to or not with conducting his job; whether or not it was committed in direct connection with conducting his workplace tasks). To meet the requirements for immediate termination of employment relationship is not relevant whether the employee was sentenced to imprisonment or was given a sentence for other crime.

§ 55 (1a) of the Labor Code of the Czech Republic requires an employee to be lawfully sentenced for an intentional crime for unconditional imprisonment more than a year

(irrelevant whether the crime committed was related to work conducted or not) or at least six months of unconditional imprisonment, when the employee was lawfully sentenced for committing a wilful offence, which was committed while conducting workplace tasks or in close connection of conducting it.

It can be considered whether the Slovak legislation is adequate for immediate termination of employment as the Czech legislation can be perceived as more social. If the objective of immediate termination of employment in this case is ensuring the smooth operation of business activity of the employer, there is a reason to follow the criterion of the type of punishment and its duration. If an employee committed an offence that is not related to work the employee is doing, the employer is affected by the fact that the employee is *„absent"* from work since he has been sentenced to imprisonment. A suspended or other type of sentence (financial penalty) cannot affect the activity of the employer. There may be an exeption when the reputation of employee might have an impact on the activity of the employer. The risk of an employer reputation might be caused by a negligent offence of the emplyoee, which according to current legislation could theoretically be conducted directly linked to an emoloyee activity, and would not necessarily be a reason for the immediate termination of employment relationship, so this perspective should not be taken into account. In case, the employee crime was committed while conducting work resp. in connection to performing workplace tasks, the unpleasant impact on the employer's activity is more likely in most of the cases. Therefore, the Checz legislation as well reduces the length of unconditional imprisonment for an intentional crime to six months instead of a year period, in case the employee's intentional crime committed is not connected to work performance.

As a part of de lege ferenda, it is possible to consider the abolition resp. modification of this reason of immediate termination of employment relationship. In case of conviction for intentional offence connected to work activity, there is always a breach of work discipline, usually a serious breach of work discipline (which is also a crime) resp, a situation, which as a result of conviction for intentional offence occurs in a vast majority of cases (unjustified absence from work in case of an unconditional prison sentence). The presented situations can be classified as a second among the reasons for immediate termination of employment relationship initiated by the employer (serious breach of workplace discipline).

The problem of immediate termination of employment relationship can be explained by the fact that the condition of integrity applies to certain type of work. In terms of § 41 (6c) of the Labour Code, integrity is required only in case the work for which integrity is required based on the nature of particular work the nautral person has to perform. Otherwise, in terms of the aformentioned provision, the employer is prohibited from requiring information about the employee integrity. Prohibition of requiring information on employee integrity is related to pre-contractual relationship, but no rational reason we can see to examine the employee integrity during the duration of the employment relationship, if it was not required when the employee was hired for the position (unless the position of the employee has not changed into a kind of work which requires integrity).

It may happen that the employee will be lawfully sentenced for intentional crime, but not in any way related to the work of an employee, while being subjected to a suspended sentence, but the employee will continue conducting the work activity, and the employer

will have no information about the conviction of the employee (it will have no negative impact on the employer). At the same time, the employer will not be entitled to be informed about this fact (if the work performed by the employee is not subject to requirement of integrity) and the employee is not required to inform his employer about it. According to § 81 g) of the Labour Code, the employee is obliged to notify the employer in writing without unnecessary delay of all changes affecting his/her employment relationship. It is primarily an information that has impact on the administrative duty of the employer in relation to the employee. It is in particular any change of name, surname, permanent residence or temporary residence, address for the delivery of correspondence, health insurance and if payment is made to the employee´s account in a bank or branch of a foreign bank with the employee's consent, also any change in banking details. Although, it is about changes affecting the emplyoment relationship, in case of situation that the employee will be lawfully sentenced for intentional crime, but unrelated to work of the employee and will be a subject of suspended sentence, this change in relation to the employee will influence his employment relation only in terms of immediate termination of employment relationship only. It is questionnable, whether the employee is obliged to report that fact to his employer in this case. The interpretation of provision would also be considered in terms if the employee was obliged to inform the employer of this fact. It would be in contrary to the Constitution of the Slovak Republic, not only in terms of nemo tenetur se ipsum accusare, but in terms of ne bis in idem as well. The result could be an imposition of another sentence for the same act (for which the employee has already been punished by a court decision and this act has no connection with the work of the employee), which would not be imposed by the court, but the employer. In case of an employee's reporting duty, a teleological interpretation should be preferred to a grammatical interpretation. In this case „all the changes related to employment relationship" should be interpreted restrictively, so only those changes that might have an impact on fulfilling the duties of the employer, e.g. reporting obligations to Social Insurance Company, Health Insurance Company, providing pay for the employee or delegating tasks (the obligation to delegate tasks would be endangered if custodial sentence were imposed unconditionally – in this case the employee would be obliged to inform the employer about this fact)and not any other kind of change (certainly not changes resulting in termination of employment relationship for a deed, which does not have any connection with the employee s employment relationship).

Serious breach of labour discipline

The term *„labour discipline"* is generally one of the most commonly used terms in the field of labour relations. The Labour Code uses this term e.g. in connection with termination of employment relationship initiated by the employer or immediate termination of employment relationship initiated by the employer. It is defining one of the duties of executives, which include the obligation to ensure that there is no violation of labour discipline § 82 e) of the Labour Code, however this term is applied in case of temporary suspension of work (§ 141 of the Labour Code).

Theory refers to *„work discipline"* as a summary of legal norms and duties of employees as well as compliance with obligations of employees (Barancová, Schronk, 2018). In general, work discipline refers to the duties of the employee (possible to use *„workplace duties"* as well).

In order to talk about the breach of work discipline, the employee should breach those obligations the employee is bound in connection with his agreed type of work to be conducted. Consequently, the situations in which an employee refuses to fulfill an obligation, an instruction not related to the work performed in accordance with the employment contract, should not be regarded as a breach of work obligation.

The Constitutional Court of the Czech Republic points out that activities that might be considered as serious violations of work discipline do not always have to be specifically regulated by law, employment contract or internal regulation (eventually such behaviour may not be specifically prohibited), but it does not mean that it can be committed by the employee without any consequences. Neither the Labour Code nor the regulations can solve all of the situations that arise in the context of labour relations. In determining the reason for immediate termination of employment relationship in case of seriuos breach of the labour discipline, the Labour Code provides a wide scope to be considered by the court, whether the specific factual findings meet the concept defined or not. The breach of labour discipline is defined in internal regulations e.g. workload of the particular employee or further facts that can define the specifics in objective and understendable manner. According to provisions § 53 (1b) of the Labour Code of the Czech Republic (§ 68 (1b) in the Labour Code of the Slovak Republic), which belong to legal norms with an abstract hypothesis, it is solely the task of the competent court to determine the hypothesis itself, considering all the circumstances. The court is not restricted by any specific aspects or constraints, takes into account the specifities of the issue as well as the practice of general courts.

Breaching of work discipline with respect to the type of work conducted by an employee can occur not only at the workplace during the determined work time, but also outside the premises of the employer and not during the working hours. If an employee in the period in which, pursuant to special regulation, he/she has the right to wage compensation during temporary inability to work, will not follow the treatment regimen determined by the physician (§ 81 (d) of the Labor Code).

The Labour Code distinguishes between two levels of intensity breaching the labour discipline, less serious and serius breach of work discipline. The severity of breaching the work discipline is determined by the employer, depending on specific circumstances the labour discipline was breached by an employee. In case of a lawsuit, however only the court is competent to decide about the severity of breaching the labour discipline.

Taking into account the legal practice and the decisions made by the court, serious breach of labour discipline can be considered e.g. consumtion of alcohol in the workplace, utilizing the workplace equipment for private purposes during the working hours, breach of safety regulations, theft, physical assault of the employer or co-worker, using company car for private purpose without the consent of the employer and long-term absence from work. Less serious breach of labour discipline counts being late and leaving early from the workplace, short term leave without consent of the employer, failure to meet the deadline of submitting work (it is important to consider the importance of work), smoking in the premises of workplace etc.

Decisive factors for assessing whether an employee's conduct can be regarded as a serious or less serious breach of labour discipline are different in each situation. The

seriousity of breaching labour discipline can also be examined in a term how long the breach of discipline lasts, whether it is a single or repeated breach of labour discipline and its tolerated or not by the employer. A situation, where certain activity of the employee is considered to be unacceptable and prohibited by the employer is lasting long-term (e.g. the bus driver did not clean the bus for a long time, however it was his work responsibility), the tolerance of the situation might decrease the intensity of the breach of labour discipline. It is supported by the argument that further employment of the employee until the notice period should not be particularly problematic for the employer compared to the previous period. However, the fact that the employer has tried repeatedly to influence the employee to change his attitude regarding the completion of his duties, and the employee attitude had been tolerated in long-term, cannot be considered as a circumstance reducing the intensity of breaching conducting work duties.

It should therefore be emphasized that the employer should approach each case of breaching labour discipline individually. It should be in accordance with the law as well as the position of the employee in the company should be considered, the employee approach to fulfilling workplace duties, circumstances of the situation breaching the labour discipline, the intensity of breaching specific duties, the consequences of breaching labour discipline for the employer. It is also important whether the employee has caused damage through his action, but at the same time the particular circumstances of the employer must be taken into account as well.

A special situation occurs when it is about breaching several employee duties at the same time or within a short time interval. According to the practice of the Czech courts, it is irrelevant how many of the proceedings identified (legal act terminating the employment relationship) as a breach of labour discipline were assessed in the court proceedings as a breach of labour discipline. It is rather important whether the detected breach of labour discipline reaches an intensity (at least one of them) that might be classified as less serious breach of labour discipline or serious breach of labour discipline.

A breach of the same obligation for the same employer may have different level of seriousity. It results from the fact that circumstances of breaching the labour discipline are rarely the same or similar. A breach of particular work obligation, taking into account all the circumstances might be considered to be a serious breach of labour disciplne, while less serious breach of labour discipline in case of the other employee.

Many employers have stipulated in their internal regulations (working regulations/work rules), which violations they will assess as serious and less serious breach of labour discipline. Although the employer has defined in internal regulations which violations they will assess a serious and which are assessed as less serious breach of labour discipline, it is necessary to examine the circumstances of each case. Providing examples in internal regulations what an employer considers to be a breach of labour discipline should always be taken into account as a „guide“ to inform the employee. Such an internal regulation is not taken into account at a court proceedings, the court may evaluate the breach of labour discipline in a different way than it is laid down in the internal regulation of the employer.

In order to be able to terminate the employment relationship, the employer has to prove that the labour discipline was breached by the employer. The employer must have an evidence that the employee has breached the work obligation.

In order to terminate the employment relationship due to a breach of labour discipline, the employer has to prove that the breach of labour discipline happened due to the employee. The employer has to prove that the employee breached the labour discipline either intentionally or at least negligently. In the case of a serious breach of labour discipline, the employer can decide whether to give a notice to employee or choses an immediate termination of employment relationship. Immediate termination of employment is explained by serious breach of the labour discipline.

Conclusion

Immediate termination of employment relationship is one of those alternatives applied that results in termination of employment both by the employer and the employee. An employment relationship may be terminated by giving notice on the part of the employer or employee. Notice must be given in writing and delivered to the other party, or otherwise it shall be invalid. The Labour Code of the Slovak Republic allows the employer to terminate employment relationship if the employee has been lawfully convicted of an intentional crime or if he has seriously breached the labour discipline.

As a part of de lege ferenda, the authors propose to consider amending (resp. abolishing) the legislation on immediate termination of employment relationship in case of intentional crime. As a result of this kind of termination of employment relationship would be imposing further sentence for the same act committed. An employee would therefore not only be punished by the court decision, but also buy an employer who would immediately terminate the employment relationship as a result of committing intentional crime.

References

1. Barancová, H. 2019. Zákonník práce. 2. vydanie. Bratislava: C. H. Beck, 1520.
2. Barancová, H., Schronk, R. 2018. Pracovné právo. Bratislava: Sprint, 579.
3. Bělina, M. et al., 2019. Zákoník práce. 3. vydání. Praha: C. H. Beck, 1536.
4. Bernard, F., Pavlátová J. 1966. Pracovný pomer a dohody o prácach vykonávaných mimo pracovného pomeru. 1. vydanie. Bratislava: Práca, 338.
5. Blackett, A. 2018. Global Justice in Transnational Labour Law. Canadian journal of law and society, 33 (2), 281-289.
6. Bronstein, A. 2011. The Reformulation of Labour Law in Post-Communist Central and Eastern Europe. Social regionalism in the global economy, 6, 161-182.
7. Burchill, F. 2016. International and Comparative Employment Relations: National Regulation, Global Changes. E-journal of international and comparative studies 5 (2), 140-156.
8. Galvas, M. et al. 2004. Pracovní právo. 2. aktualizované a doplněné vydání. Brno: MU Brno a Doplněk Brno, 752.
9. Jelínek, J. et al. 2019. Trestní právo hmotné. 7. aktualizované a doplněné vydání. Praha: Leges, 1000.

10. Jurčová, M. 2008. K povahe plnomocenstva ako právneho úkonu, k jeho účinkom a vzniku oprávnenia zastupovať na základe plnomocenstva v platnom Občianskom zákonníku. Justičná revue, 60 (10), 1359 – 1366
11. Lazar, J. 2002. Základy občianskeho hmotného práva. Bratislava: Iura Edition, 103.
12. Luby, Š. 2002. Základy všeobecného súkromného práva. 3. vydanie. Šamorín: Heuréka, 287.
13. Pichrt, J. et al. 2013. Agentúrní zaměstnávaní v komplexních souvislostech. Praha: C.H.Beck, 400.
14. Procházka, R., Káčer, M. 2013. Teória práva. Bratislava: C.H. Beck, 312.
15. Salač, J. 2004. Rozpor s dobrými mravy a jeho následky v civilním právu. Praha: C. H. Beck, 320.
16. Sil, R. 2017. The battle over flexibilization in post-communist transitions: Labor politics in Poland and the Czech Republic, 1989-2010. Journal of Industrial Relations 59 (4), 420-443.
17. Součková, M. et al. 2002. Zákoník práce. Praha: C. H. Beck, 160.
18. Svák, J., Cibulka, Ľ. 2009. Ústavné právo Slovenskej republiky. 4. vydanie. Bratislava: Eurokódex, 389.
19. Števček, M. et al. 2016. Civilný sporový poriadok. Praha: C. H. Beck, 1544.
20. Švestka, J. et al., 2008. Občanský zákoník I. 1. vydání. Praha: C.H.Beck, 2296.
21. Turayová, Y. et al. 2016. Trestná zodpovednosť právnických osôb. Bratislava: Wolters Kluwer, 212.
22. Večera, M. et al. 2011. Teória práva. 4. vydanie. Žilina: Eurokódex, 352.
23. Wagnerová, E. et al. 2012. Listina základních práv a svobod. Praha: Wolters Kluwer ČR, 931.
24. Wasileski, G., Turkel, G. 2008. Reforming labor law in the Czech Republic: international sources of change. Studies in Law, Politics and Society, 45, 255-280.

Authors contact:
Mgr. Marián Mészáros, PhD. Candidate, Trnava University in Trnava, Faculty of Law, Department of Labour Law and Social Security Law, Kollárova 10, 917 01 Trnava, Slovakia, e-mail: *marianfmeszaros@gmail.com*
ORCID: *https://orcid.org/0000-0002-5633-3141*

Mgr. Karina Divékyová, PhD. Candidate, Trnava University in Trnava, Faculty of Law, Department of Labour Law and Social Security Law, Kollárova 10, 917 01 Trnava, Slovakia, e-mail: *karin.divekyova@gmail.com*
ORCID: *https://orcid.org/0000-0002-2560-8528*

Nosková, M., Peráček, T. (2019). Termination of employment in the Slovak Republic as a key issue of HR Management. Central European Journal of Labour Law and Personnel Management, 2 (2), 44-59. doi: 10.33382/cejllpm.2019.03.04

TERMINATION OF EMPLOYMENT IN THE SLOVAK REPUBLIC AS A KEY ISSUE OF HR MANAGEMENT

Milena Nosková [1] *- Tomáš Peráček* [1]

[1] 1 Faculty of Management, Comenius University in Bratislava, Bratislava, Slovakia

Received: 09. November 2019, Reviewed: 18. December 2019, Accepted: 30. December 2019

Abstract

Termination of employment in the Slovak Republic represents a challenge to HR professionals due to its complex nature and strict requirements for legal compliance. The submitted paper focuses on analysis of various forms of termination of employment in the Slovak Republic in detail such as termination by agreement, termination by notice, immediate termination and termination in probation period as well as the multifaceted issue of collective redundancies. In addition, managerial aspects of termination are consulted and recommendations given. In terms of methodology, theoretical methods of research including logical abstraction, deduction as well as comparative method alongside with qualitative methods have been deployed. The main aim of the submitted contribution is to present a comprehensive guide for HR professionals as well as lay public in the very specific area that termination of employment in the specific conditions of the Slovak Republic truly is.

Key words: collective redundancies, HR management, termination of employment,

DOI: 10.33382/cejllpm.2019.03.04

JEL classification: J53, K15, M54

Introduction

HR management has undergone significant changes since its birth in 1900 and in the aftermath of accelerated globalization in the 1990s. According to Mathis, it may be defined as *„designing formal systems in an organization to manage human talent for accomplishing organizational goals"* (Mathis et al., 2017, p. 69) Other authors argue that no general definition exists (Beardwell, 2007). HR managers are dealing not only with standard HR issues such as recruiting, staffing, training and development, appraisal systems and reward management, but also with such issues as termination of employment relationship either individually or collectively due to e.g. organizational or industrial changes. (Klerck, 2009). According to Olšovská: *"the lack of regulation in this area through labour relation laws in Slovakia (the legislation in the labor code is*

too general) has led to an increasing number of cases negatively affecting employees' legitimate interests as well as an increasing number of disputes claiming compensation for non-material damage" (Olšovská et. al., 2016, p. 110). Price emphasizes the proactive nature of HR management as opposed to the more operational nature of personnel management (Price, 2011). Boxall identifies three types of HR management, namely *"micro HR management, strategic and international HR management"* (Boxall et al., 2007, p. 2-3). Terminaton of employment may be viewed as a part of the micro HR management if individual cases are considered, but also as a part of strategic HR management provided that e.g. collective redundancies are on the table.

The situation in the Slovak Republic is no different than in any other country in the world. HR managers or HR departments have to be able not only to manage, but comply with legal regulation in this specific area of HR management as well as in employment relationships in general. Termination of employment relationship is very strictly regulated in the Slovak Republic. In addition, termination as such presents not only legal but ethical challenges to HR managers as well (Bogaert, 2005). Many times, issues connected with termination of employment relationships in the Slovak Republic are handled not only by in-house HR professionals, but by external legal consultants and attorneys-at-law. This is mostly due to the fact that non-compliance with legal regulation governing termination of employment relationship may frequently lead to invalid steps and claims on the side of the employee, which could substantially damage the employer. On the other hand, employees as the weaker party in employment relationship are strongly protected and their rights have to be respected at any costs.

Theoretical background

Employment relationship is a legal relationship between an employer and an employee that lasts only for a certain period of time regardless if it is agreed for an indefinite term (Barancová et. al, 2019). According to Strolka: *"it is not unusual for employers to bring an employment relationship to an end after a certain period of time for business reasons or because the "chemistry" is not right"* (Strolka, 2019, pp. 223-238). Howewer, protection of employees against arbitrary termination is a result of historical development of labour law in the Slovak Republic and is guaranteed by the provision of the Article 36 letter b) of the Constitution of the Slovak Republic.

There are several ways of termination of employment in the Slovak Republic. In the first place, it may be based on a legal act such as agreement, termination with a notice, immediate termination or termination in the probation period. Secondly, it may be based on a legal event, such as expiry of time period for which the employment was agreed or death of the employee. Eventually, it may be based on the decision of an authority or by law according to § 58 par. 7 of the Slovak Labour Code (unlawful temporary assignment of an employee). According to Olšovská et al.: *„the legislative process resulted in enactment of more than 20 key amendments covering agency employment with a significant impact on human resource management in manufacturing enterprises and flexibility in labor relations."* (Olšovská et al., 2016, p. 110).

With respect to concrete alternatives of termination of employment, the following methods exist. Agreement on termination of employment is a bilateral legal act based on which the employment relationship is terminated upon mutual will of the employer and

the employee. If the employer and the employee agree on termination, the employment is terminated on the agreed date. Termination of employment with a notice is, in contrast to the agreement, a unilateral legal act of the employer or the employee with the aim of termination of the employment relationship. In special occasions, it is possible to terminate the employment relationship by immediate termination. Employment relationship concluded for a definite time ends by lapse of this period. Within the duration of the probation period, the employment relationship may be terminated as well. It is important to note that the requirement of participation of representatives of employees is relevant by termination, by notice and immediate termination of employment relationship. The Slovak Labour Code also aims at mitigation of consequences of collective redundancies, in particular by stating reasons for such action.

Severence pay as a concept of labour law represents a certain form of satisfaction given by the employer to the employee upon termination of the employment relationship. Its main aim is to mitigate economic risk of the employee resulting from the loss of job. In contrast to the severance pay, the retirement pay serves a different purpose. It represents a certain form of remuneration of the employee provided by the employer for his whole career when the employee retires.

The employer is obliged to issue a work certificate to the employee within fifteen days after his request, but no sooner than two months before termination of the employment relationship. Upon termination of the employment relationship, the employer is obliged to submit a confirmation of employment. In addition, delivery as such is analyzed in § 38 par. 1 to 5 of the Labour Code, according to which written documents of the employer related to the formation, change and termination of an employment relationship of the employee based on an employment contract must be delivered to the employee to his own hands. The same applies to formation, changes and termination of rights and liabilities arising out of the agreements on work executed outside of the employment relationship (Barancová et al. 2019, pp. 426-431).

Written documents are delivered to the employee either in the place of work or to his residence or wherever the employee may be present. If it is not possible regardless of reasons, the delivery takes place per post as a recommended letter that shall be sent to the last known address of the employee (as a recommended letter with an advice of delivery) and a note *„to own hands"*. The employer is obliged to deliver written documents of the employee related to formation, change or termination of rights and obligations of the employee arising out of the employment contract or out of an agreement on work conducted outside of an employment relationship to the place of work or per post as a recommended letter. The use of the advice of delivery is not required (Barancová et al. 2019, pp. 426-431).

The Labour Code regulates also the concept of fiction of delivery, according to which the obligation of the employer or the employee to deliver a written document is fulfilled as soon as it is returned by post to the sender as undeliverable or if the delivery of the written document was made impossible by act or omission of the addressee. Delivery is effective also if the employer or the employee refuses to receive the written document (Barancová et al. 2019, p. 426-431).

Material and methods

The main aim of the submitted contribution is to present a comprehensive guide for HR professionals as well as lay public in the very specific area that termination of employment in the specific conditions of the Slovak Republic truly is. The main sources used for the research include literature in the field of HR management and personnel management from such countries as the United States, Great Britain, Germany as well as the Slovak Republic. In addition, commentaries and academic literature, specifically applicable in the Slovak Republic in the field of employment relations have been used.

In terms of methodology, theoretical methods of research including logical abstraction, deduction as well as comparative method have been deployed in order to analyse the highly regulated area that termination of employment in conditions of the Slovak Republic represents. As opposed to other jurisdictions, Slovak regulation of termination of employment is much stricter. Non-compliance frequently results in invalid termination and claims of the employees against the employer. Similarly, practice of Slovak courts based on constant judicial decisions in the filed of termination of employment is strongly pro-employee oriented. Thus, HR managers have to have detailed knowledge of the core issues and strong legal background in addition to soft skills in order to effectively handle legal, managerial and ethical challenges connected to termination of employment. From qualitative methods, analysis of documents has been applied. The analyzed documents, both legal and managerial have been mentioned above.

Results and discussion

Agreement on Termination of Employment

The agreement on termination of employment must be concluded in writing, however non-compliance with the written form does not result in invalidity of the agreement as pursuant to academic literature also an oral agreement on termination of employment relationship is valid (Švec et. al, 2019). The reasons for termination must be stated in the agreement only if the employee requires so or in case the employment relationship was terminated by agreement from reasons stated in § 63 par. 1 . letter a) to c) of the Slovak Labour Code. These reasons are:

- the employer or a part thereof is cancelled or transferred and the employee does nor agree with the change of the agreed place of work,
- the employee becomes redundant due to a written decision of the employer or a relevant body on change of his/her tasks, technical equipment or decrease in labour force, with the aim to ensure effectivity of labour or other organizational changes,
- the employee due to his/her health condition according to a medical review loses his capacity to carry out his/her actual work or he/she may not execute it due to work related illness or danger of such illness or if he has reached the highest possible exposure set by the decision of the relevant authority of public health (Švec et al., 2019)
- Pursuant to the Labour Code, the Employer is obliged to submit one original of the agreement on termination of employment to the employee.

Termination of Employment by Notice

Termination of employment with a notice is, in contrast to the agreement, a unilateral legal act of the employer or the employee with the aim of termination of the employment relationship. It becomes effective upon its delivery to the addressee. The employment relationship may be terminated only as a whole, never partially. It is not possible to submit a termination by notice with retroactive effect (with effects to the past). Both the employer and the employee may terminate by notice. Termination must be made de in writing and it must be delivered to the addressee (Barancová et. al, 2019, pp. 435 – 646).

The employer may terminate employment by notice only from reasons stated in the Labour Code. The reason for termination must be defined factually, so that it may not be confused with any other reason, otherwise the termination by notice is not considered to be valid. If the reason for termination was redundancy according to § 63 par. 1 letter b) of the Labour Code, the employer may not create the same job position or hire a new employee for the position for at least two months. Once delivered, the termination by notice may be recalled only with the consent of the addressee whereas such consent must be made in writing (Švec et al., 2019, p. 624).

Notice period

Notice period constitutes an integral part of the concept of termination by notice in the Slovak Republic. If termination by notice is given, the employment relationship is terminated upon expiry of the notice period. The shortest notice period stated by the Labour Code is one month. Different notice period applies in case of an employee to whom the termination by notice was given from the reason of cancellation or transfer of the employer and he/she does not agree with the change of place of work or from the reason of redundancy or in case the employee has lost his/her capacity to execute his/her former work due to his/her health condition on the basis of a medical review in the long run. Under these circumstances, the notice period is at least:

- two months provided that the employment relationship of the employee by the employer lasted at least one year and no more than five years to the date of delivery of the termination notice,
- three months provided that the employment relationship of the employee by the employer lasted at least five years to the date of delivery of the termination notice (Švec et al., 2019, pp. 646-649)

Notice period of the employee to whom termination notice was given from other reasons than stated above is at least two months if the employment relationship of the employee by the employer lasted at least one year. It is also important to note that for the purpose of duration of the employment relationship, also the time period of repeatedly concluded employment relationship for a definite time with the same employer that immediately follow each other is counted. In case the employee terminates his/her employment relationship by notice and his/her employment relationship to the employer lasted at least one year to the date of delivery of the termination notice, the notice period is at least two months (Švec et al., 2019, pp. 646-649).

The notice period starts to pass from the first calendar day of the month following the month after the delivery of the termination notice and expires on the last day of the relevant calendar month provided that the Labour Code does not regulate it otherwise (Švec et al., 2019, pp. 646-649). Both the employer and the employee have the right to agree that if the employee does not stay by the employer during the notice period, the employer is entitled to a monetary compensation, in the maximum amount of the multiply of the average monthly salary of the employee and the duration of the notice period. However, this is applicable only in case that such monetary compensation has been agreed in the employment contract. Such agreement has to be in writing, otherwise it is considered invalid (Švec et al., 2019, pp. 646-649).

Termination notice given by the employer

The Labour Code in the Slovak Republic strictly defines reasons for termination notice given by the employer to the employee in § 63 and seq. Similar situation have been identified in foreign jurisdictions where the concept of so called *„just cause"* has been introduced (Paul, 1993). The reasons in the Slovak Republic are as follows:

- the employer or a part thereof is cancelled or transferred and the employee does not agree with the change of the agreed place of work,
- the employee becomes redundant due to a written decision of the employer or a relevant body on change of his tasks, technical equipment or decrease in the number of employees with the aim of securing effectivity of labour or other organizational changes,
- employee due to his health condition according to a medical review has lost his capacity to execute his current work in the long-run or may not execute it due to a work related illness or a danger of such illness or if he/she has reached the maximum possible exposure at the workplace determined by the decision of the relevant authority of the of public health,
- employee does not fulfill conditions required by legal regulations for execution of agreed work or has stopped fulfilling requirements stated according to § 42 par. 2 of the Labour Code (for example recall from the function of a statutory representative – in this regards, it is important to reflect on dismissal from broader perspective as it may significantly influence the performance of the organization (Simons, 2011), does not without guilt of the employer requirements for due execution of work in an internal regulation or does not fulfill his work tasks in a satisfactory manner and the employer has sent him a warning in writing within the last six months to remove such defects and the employee has not done so,
- there are other reasons on the side of the employee for which the employer could immediately terminate his/her employment relationship or for a less serious breach of work discipline; for less serious breach of work discipline, termination by notice may be given to the employee provided that he was notified in last six months in relation to the breach of work discipline on the possibility of termination by notice in writing (Švec et al., 2019, pp. 624-658).

The employer has the right to terminate the employment relationship of the employee by notice in case that is not given due to unsatisfactory fulfillment of work tasks or for less serious breach of work discipline or from reasons that substantiate immediate termination of the employment relationship only if:

- the employer does not have the possibility to employ the employee any further neither for shorter work time in place that was agreed as the place of work,
- the employee is not willing to be transferred to a different, to him adequate work, which was provided to him/her in the place that was agreed as the place of work or to be subject to previous preparation for such work (Švec et al., 2019, pp. 624-658).

The provision of § 64 par. 4 of the Labour Code limits the right of the employer to terminate the employment relationship of an employee with a notice in such way, that the termination by notice from reasons such as the breach of work discipline or from a reason for which immediate termination of the employment relationship may be given only within two months following the day when he found out the reason for termination and for breach of work discipline abroad also within two months following his return from abroad, however no later than within one calendar year from the day when the reason for termination arose. (Švec et al., 2019, pp. 624-658) If the employer wants to terminate the employment relationship from the reason of breach of work discipline, he has to notify the employee of the reason and enable him/her to get acquainted with it (Švec et al., 2019, pp. 624-658).

Prohibition of termination by notice (protection period)

Protection period is the time period during which prohibition of termination by notice form the side of the employer is in place if legal conditions are met. The employer may not terminate an employment relationship with an employee in the protection period which is:

1. period when the employee is considered as temporarily incapable to work due to illness or injury provided that incapacity has not been caused intentionally be the employee or caused under the influence of alcohol, narcotics or psychotropic substances and during the period of inpatient treatment or balneal treatment until their termination,
2. if summoned for extraordinary service in crisis situation by delivery of the summoning order or if he was summoned for the extraordinary service by a mobilization order or mobilization notice or if the extraordinary service was ordered to the employee until two weeks after his release from the service, the same applies for alternative service according to special legal regulation,
3. period when the employee is pregnant, on maternity leave, on parental leave or when a single employee takes care of a child under three years of age, in period when the employee is freed for the execution of public function in the long run,
4. period when the employee working at night is acknowledged temporarily incapable to work at night, based on medical review (Barancová et al., 2019, pp. 687-694).

In case the termination by notice s given to the employee before the protection period in such a way that it should expire during the protection period, the employment relationship ends by lapse of the protection period unless the employee announces that he/she does not insist on prolongation of his employment relationship (Barancová et al., 2019, pp. 687-694). There are several exceptions from the prohibition of termination by notice from the side of the employer:

- when the employer or a part thereof is cancelled,
- when the employer or a part thereof is transferred and the employee does not agree with change of the place of work during time period when a single employee takes care of a child younger than three years and in time period when the employee working at night becomes, on the basis of a medical review acknowledged as temporarily incapable of night work,
- from reasons for which the employer may immediately terminate the employment relationship unless the employee is at maternity leave or parental leave. If the termination by notice is given to the employee before start of maternity leave or parental leave in such a way that the notice period would have lapsed during this maternity leave or parental leave, the notice period ends simultaneously with the end of the maternity leave or parental leave,
- for other breach of work discipline according to § 63 par. 1 letter e) of the Labour Code if the employee is not pregnant or at maternity leave or parental leave,
- the employee has by his own fault lost requirements for the execution of the agreed work according to a special law (Barancová et al., 2019, pp. 687-694).

Even stricter legal regulation applies for a handicapped employee to whom the employer may give a termination with notice only with a previous approval of the Authority of labour, social affairs and family, otherwise the termination by notice is not valid. This consent is not required if the termination by notice is given to the employee who has reached the age for pension rent or due to the fact that the employer or a part thereof is cancelled or transferred and the employee does not agree with change of agreed place of work or reasons exist for which immediate termination could follow or for less serious breach of work discipline provided that he was notified on the possibility of termination by notice in writing in relation to such breach of work discipline within last six months (Barancová et al., 2019, p. 694-695).

Termination by notice given by the employee

The employee may terminate his employment relationship by notice to the employer from any reason or without stating the reason whereas the written form of the notice has to be met and the termination by notice has to be delivered to the employer (Barancová et al., p. 695-696)

Immediate Termination of Employment Relationship

In special occasions, it is possible to terminate the employment relationship by immediate termination. In such case, no notice period is given. The employer may immediately terminate the employment relationship only exceptionally and only in case that the employee was legitimately condemned for an intentional crime or has seriously breached the work discipline. Such legal act may be carried out only in the time period of two months following the day when the employer found out the reason for immediate termination, no longer than within one year since such reason has arisen (Švec et al., 2019, p. 670-675).

The employer may not immediately terminate employment relationship with a pregnant employee or with an employee at maternity leave or parental leave or with a single employee that takes care of a child younger than three years of age or an employee that takes care of a close person that has a serious disability. However, it is possible to terminate such employment relationship, with the exception of the employee at maternity leave or parental leave, by notice (Švec et al., 2019, p. 670-675).

The employee may terminate his/her employment relationship immediately only if:

1. according to medical review may not carry out his work without serious threat to his health and the employer has not transferred him to another work that would be adequate;
2. the employer did not pay his salary, salary compensation, travel expenses, compensation for work emergency, compensation of salary during temporary work incapacity of the employee or a part thereof within 15 days after their maturity;
3. His/her life or health is imminently endangered;
4. Youth employee has the right to terminate his employment relationship immediately also when he cannot execute work without endangering his morals (Švec et al., 2019, pp. 675-681)

The employee may terminate his employment relationship immediately only within one month following the day when he found out the reason for immediate termination whereas he has the claim to compensation of salary in the amount of his average monthly income for the notice period of two months (Švec et al., 2019, pp. 675-681).

Immediate termination must be executed in writing (regardless if it is given by the employer or the employee), the reason has to be factually defined in such a way that it may not be mistaken for another reason and such reason may not be changed afterwards. The immediate termination must be delivered to the addressee within the stated period under the sanction of invalidity (Švec et al., 2019, pp. 682-683).

Termination of the employment relationship agreed for a definite time

Employment relationship concluded for a definite time ends by lapse of this period. If the employee continues to execute his work after expiry of this period for the employer with employer being aware of this fact, such employment relationship changes into an employment relationship for indefinite time (if the employer does not conclude an agreement with the employee that the definite time is prolonged.) The § 59 of the Labour Code applies also for the termination of employment relationship for a definite time (Holub, 2017).

Termination of Employment Relationship in Probation Period

Within duration of the probation period, the employment relationship may be terminated by either the employer or the employee in writing from any reason or without stating a reason. The employer must respect the higher level of protection of certain persons and may terminate the employment relationship in the probation period with a pregnant woman, mother within 9 months after giving birth or a breastfeeding woman only in writing, in special cases that are not related to her pregnancy and maternity and must state reasons, otherwise it is invalid (Barancová et. al. 2019, pp. 725 – 729).

Written notification on termination of the employment relationship must be delivered to the addressee usually three days before the employment relationship should be terminated. However, the three-day time-frame is not binding, it serves as a recommendation.

Collective Redundancies

Collective redundancies may mean that the employer or a part thereof terminates employment relationship by notice due to the fact that the employer or a part thereof is cancelled or transferred and the employee does not agree with change of the agreed place of work or if the employee becomes redundant due to the written decision of the employer or a relevant body of the employer on change of his tasks, technical equipment or decrease in the number of employees with the aim to secure effectivity of labour or other organizational changes or if the employment relationship ends in other way which does not constitute in the person of the employee during 30 days:

a) with at least ten employees by an employer which employs more than twenty and less than one hundred employees
b) with at least 10 % of employees from the total number of employees by an employer who employs at least 100 and less than 300 employees,
c) with at least 30 employees by the employee who employs at least 300 employees (Barancová et. al., 2019, p. 729).

With the aim to conclude an agreement, the employer is obliged at least one month before initiation of the collective redundancies to hear it with representatives of the employees. If no representatives of employees operate at the employer, it should be directly discussed with the relevant employees and enabling them to prevent collective redundancies or to limit it, in particular to discuss the possibility of their location in adequate employment on other work places, also after previous preparation and measures to mitigate unfavorable consequences of collective redundancies of employees (Barancová et. al., 2019, p. 730).

For this purpose, the employer is obliged to provide to the representatives of employees all necessary information and inform them in writing in particular on:

a) Reasons for collective redundancies,
b) Number and structure of employees with whom the employment relationship should be terminated,
c) Total number and structure of employees whom they employ,
d) Time period during which the collective redundancies take place,
e) Criteria for selection of employees with whom the employment relationship should be terminated (Barancová et. al., 2019, p. 729)

The employer is also obliged to deliver a copy of the written information containing the data stated by law together with names, surnames and addresses of permanent residency of employees with whom the employment relationships should be terminated to the Authority of Labour, Social Matters and Family in order to look for solutions to the issues connected to collective redundancies. In this regard, GDPR requirements must be followed (Švec et al., 2018). In addition, the employer, after having discussed collective redundancies with the representatives of employees, is obliged to deliver the written information on the result of such discussion to the Authority of Labour, Social Matters

and Family and representatives of employees who may submit comments regarding collective redundancies to the respective Authority of Labour, Social Matters and Family (Barancová et. al., 2019, p. 729 - 743).

Upon collective redundancies, the employer may terminate the employment relatinoship by notice from reasons stated in § 63 par. 1 letter a) and b) of the Labour Code or a proposal for termination of the employment relationship by an agreement from the same reasons. This may follow no sooner than after one month following the delivery of the written information as stated above. The purpose of this provision is to enable the Authority of Labour, Social Matters and Family to use this timeframe in order to search for solutions to the issues connected to planned collective redundancies. The Authority of Labour, Social Matters and Family may adequately shorten the period and must inform the employer immediately (Barancová et. al., 2019, p. 729 - 743).

If the employer violates his obligations connected to collective redundancies, the employee is entitled to compensation of salary in the amount of two times of his average salary. Provisions of § 73 par. 1 to 8 of the Labour Code dealing with the topic of collective redundancies do not cover termination of employment relationship concluded for a definite time and members of ship crew sailing under the state flag of the Slovak Republic. Similarly, the obligation to announce collective redundancies one month in advance does not apply to the employer on whom bankruptcy was declared by the court. If no representatives of employees operate by the employer, the employer fulfills his information duties directly towards the relevant employees (Barancová et. al., 2019, p. 729 - 743).

Participation of Employees Representatives upon Termination of Employment relationship

Termination by notice and immediate termination of employment relationship must be discussed in advance with the representatives of employees, otherwise they are invalid (Barancová et. al., 2019, p. 743). The representatives of employees are obliged to discuss termination by notice within seven working days following the written request by the employer and immediate termination within two working days following the written request by the employer. If during this time period no discussion takes place, a legal fiction applies that the discussion has taken place (Barancová et. al., 2019, p. 743).

Severance pay and retirement pay

The employee, with whom the employer terminated the employment relationship by notice due to the fact that the employer or a part thereof is cancelled or transferred and the employee does not agree with the change of the agreed place of work or the employee becomes redundant due to a written decision of the employer or a relevant body on change of his tasks, technical equipment or due to decrease in the number of employees with the aim of securing effectivity of labour or other organizational changes, the employee due to his health condition according to a medical review has lost his capacity to execute his current work in the long-run, is entitled to severance pay in the amount of at least:

- his average monthly income if the employment relationship lasted at least two years and no longer than five years,

- Double the average monthly income if the employment relationship of the employee lasted at least five years but no longer than ten years,
- Triple the average monthly income if the employment relationship lasted at least ten years and no longer than twenty years,
- Four times the average monthly salary if the employment relationship lasted at least twenty years (Barancová et. al., 2019, p. 751).

The employee, with whom the employer terminated the employment relationship by agreement due to the fact that the employer or a part thereof is cancelled or transferred and the employee does not agree with the change of the agreed place of work or the employee becomes redundant due to a written decision of the employer or a relevant body on change of his tasks, technical equipment or on decrease in the number of employees with the aim of securing effectivity of labour or other organizational changes, the employee due to his health condition according to a medical review has lost his capacity to execute his current work in the long-run is entitled to severance pay in the amount of at least:

a) His average monthly income if the employment relationship lasted less than two years,
b) Double the average monthly income if the employment relationship of the employee lasted at least two years but no longer than five years,
c) Triple the average monthly income if the employment relationship lasted at least five years and less than ten years,
d) Four times the average monthly salary if the employment relationship lasted at least ten years and less than twenty years,
e) five times the average monthly salary if the employment relationship lasted at least twenty years (Barancová et. al., 2019, p. 751).

In addition, an employee with whom the employer terminates the employment relationship by notice or by agreement due to the fact that the employee may not execute his work due to work injury, work illness or a danger of such illness or he has reached the highest possible exposure determined by a decision of the relevant authority of public health, is entitled to severance pay in the amount of at least ten times his average monthly income. This is not applicable if the work related injury was caused as follows:

a) the employee by his own fault violated legal regulations or other regulations for securing security and protection of health or instructions for securing security and protection of health by work regardless of the fact that he was duly and demonstrably acquainted with them and their knowledge and fulfillment were continuously required and controlled,
b) work injury has been caused by the employee himself under the influence of alcohol, narcotics or psychotropic substances and the employers could not avoid it (Treľová, 2019, p. 85).

In order to avoid speculative actions of the employer and the employee, the Slovak Labour Code deals also with the issue of severance pay in case of repeated employment of the employee at the same employer. According to law, if the employee is employed by the same employer or his successor after termination of his employment relationship before lapse of time determined before the provided severance pay, is according to provision of § 76 par. 4 of the Labour Code obliged to return the severance pay or his proportionate part if he does not agree otherwise with the employer. The proportionate

part of the severance pay is determined by the number of days from the repeated start of the employment relationship until the lapse of time resulting from the provided severance pay. The severance pay does not belong to the employee by whom as a result of organizational changes or rationalization measures takes place transfer of rights and obligations from employment relationships to another employer according to the relevant provision of the Labour Code (Černáková, 2017).

The issue of payment day of the severance play is left to the agreement of the parties otherwise the severance pay is paid after termination of the employment relationship in the closest payment date for the payment of the salary. (Barancová et. al., 2019, p. 752).

The employee is entitled to retirement pay after his first termination of the employment relationship after his right to pension benefit or disabled pension benefit has arisen in the minimum sum of his average monthly income, however only in case that he asks for its provision before termination of his employment relationship or within ten days after its termination. The employee is entitled to retirement pay upon his termination of the employment relationship in the amount of at least his average monthly income also if premature pension benefit has been granted to him, on the basis of a request submitted before termination of his employment relationship or within ten days after its termination. The employer is not obliged to provide the retirement benefit to the employee if the employment relationship was terminated due to the fact that the employee was legitimately condemned for an intentional crime or has subrationally breached his work discipline. The employee is entitled to the retirement pay only from one employer (Švec et al., 2019, p. 711 -712).

Work Certificate and Confirmation of Employment

According to provision of § 75 par. 1 of the Slovak Labour Code, the work certificate is defined as *„all documents related to evaluation of the work of the employee, his qualification, abilities and other facts that are related to execution of work.“* The employee is entitled to look in his personal file that the employer compiles about the employee and to make extracts, duplicates and copies of the file. In this regard, it is also important to review which personal data are stored especially after the GDPR has come into effect. According to Švec: *“… small and medium-sized enterprises have not managed to move on to new legislation. They continue to pursue employment relationships in accordance with the original privacy policy which may result in the imposition of a sanction by the control authorities and at the same time violating the right of employees to protect their privacy and personal data in the course of their work for the employer”* (Švec et al., 2018, p. 282).

Upon termination of the employment relationship, the employer is obliged to submit a confirmation of employment and state date required by law, in particular:

a) time of duration of the employment relationship,
b) type of executed work,
c) if any payroll deductions are taking place and if so, in favour of whom, in what amount and what is the order of the claim for which the deductions are made,
d) data on provided salary for the executed work, on provided compensation for salary and compensation for work emergency, on deducted advances and

other facts crucial for yearly clearance of advances for tax from dependent work or functional benefit and for calculation of unemployment benefit,

e) information on staying at the employer for a certain period of time after mastering the final exam or graduation exam or after termination of studies or preparation for work and information as to when this time period ends,
f) information on provision of retirement pay according to provision of § 76a of the Labour Code (Švec et al., 2019, p. 702-706)

The law also reflects on the situation when the employee does not agree with the content of the work certificate or confirmation of employment. In this case, if the employer does not change or complete these documents, the employee has the right to address the court within three months following the day when he found out of the content in such a way that the employer would be obliged to change or complete the work certificate or confirmation of employment. This time period is preclusive in the sense that once the action is not filed with the court in the three-month period, the right of the employee to require changes in the work certificate becomes extinct. Other information than that provided about the employee in the work certificate or the confirmation on employment may the employer provide only with the consent of the employee if not stipulated otherwise by law (Švec et al., 2019, p. 702-706).

Claims from invalid termination of the employment relationship

Invalidity of termination of an employment relationship by notice, immediate termination or termination in probation period or by agreement may be contested by the employer or the employee before a court no later than within two months after the employment relationship should have been terminated. In comparison to Germany, where *„employees are entitled to reinstatement if the dismissal is not supported by sufficient reasons"* (Magotsch, 2018), in Slovakia the employment relationship may be assessed as lasting or unterminated under specific conditions. The time period for filing the action is considered preclusive which means that once expired, the right to contest the termination becomes extinct. It is also important to note that arbitration proceedings in employment relationships is Slovakia are out of question. However, certain authors analyze *"the present legal landscape and opportunities to use legal qualifications to deal with individual labour law disputes."* (Olšovská et al, 2017, p. 112). Currently, only court proceedings before national courts are available in the Slovak Republic. Compared to other jurisdictions, where „access to the unfair dismissal jurisdictions of industrial tribunals is now so limited that most employees and employers are returned to the position before awards gave unfair dismissal protection, and laws were enacted to ameliorate the inadequacies of the common law" (Pittard, 2008), the Slovak courts are generally strongly pro-employee oriented and many times try to protect the rights of the employee as the weaker party to the employment relationship.

If the employee invalidly terminated his employment relationship by notice, immediately or in probation period and the employer notified him that he insists that the employee should continue working for him, the employment relationship is not terminated. It is also important to note that if the employee refuses to work for the employer under the circumstances, the employer may request compensation of damages from the employee that arise from the day when the employer notified the employee that he insists on continuation of work. Even though no legal form is prescribed, in order to prove it before

a court, delivery provisions of the Labour Code should be complied with (Švec et al., 2019, pp. 719-728)

A different situation arises in case the employee invalidly terminates the employment relationship and the employer does not insist on further execution of work by the employee. In this case, if the employer did not agree with the employee otherwise, it is considered that the employment relationship was terminated by agreement:

a) in case of invalid termination by notice, by expiry of the notice period,
b) if the employment relationship was invalidly terminated immediately when the employment relationship should have been terminated,
c) if the employment relationship was invalidly terminated in probation period on the day when the employment relationship should have been terminated.

In these cases the employer is not entitled to request compensation for damages from the employee (Švec et al., 2019, p. 719-728). In practice, more frequently a situation arises that the employer has terminated the employment relationship of the employee invalidly (either by notice, immediately or in probation period) and the employee has notified the employer that he insists on further employment. In this case, the employment relationship does not end unless the court decides that it may not be requested rightfully form the employer to further employ the employee (Barancová et al. 2019, p. 773-785). The employer is obliged to provide the employee with compensation of salary in the sum of his average income from the day when he notified the employer that he insists on further employment until the time when the employer enables him to continue to work or the court decides on termination of his employment relationship. Due to the length of court disputes in the Slovak Republic, the legislator has limited the total amount of compensation in such a way that if the total time for which the compensation of salary should be provided exceeds twelve months, the court may, upon request of the employer (based on his obligation to compensate for the salary for the time exceeding twelve months) adequately decrease it or not to grant it at all. The compensation for salary may not be granted for more than 36 months (Barancová et al. 2019, p. 773-785).

If the employer terminated the employment relationship invalidly and the employee does not insist on further employment and no other written agreement exists, the employment relationship is considered to be terminated by agreement

a) if invalid termination by notice was given by expiry of notice period
b) if the employment relationship was terminated invalidly immediately or in probation period, on the day when the employment relationship should have been terminated whereas the employee is entitled to compensation of damages in the amount of his average monthly income for the notice period of two months (Barancová et al. 2019, pp. 773-785).

If the agreement on termination is invalid, the claim of the employee for compensation of lost salary is assessed in the same way as in case of invalid termination by notice given to the employee by the employer. The employer does not have the right to claim compensation for damages due to invalidity of the agreement (Švec et al., 2019, p. 728).

Conclusion

Termination of employment relationship in the Slovak Republic is one of the key issues of HR management as it comprises of many different and complex issues. In words of Eger *"when analysing labour law, most lawyers tend to focus on protection of existing employment relations and neglect the feedback on ex ante incentives, whereas most economists focus on the incentives to create new jobs without knowing the regulations and relevant court decisions in detail."* (Eger, 2003). In addition, ethical and managerial implications of termination have to be taken into consideration.

The results of the research show that in Slovakia, specifically, non-compliance with the relatively strict national regulation often results in undesired situation for the employer, who may face different claims from the side of the dismissed employee. Prevailing judicial decisions in such cases focus on protection of the dismissed employee over the interest of the employer. Thus, it is of utter importance that HR professionals are thoroughly acquainted not only with managerial challenges of termination of employment but with legal nuances of the procedure as well. External aid of legal professionals, especially in challenging cases or by collective redundancies is highly recommended. As a result, it would be recommended to thoroughly analyze judicial decisions regarding the termination of employment relations in terms of success rate of the emloyers versus employees. Similarly, it would be meaningful to analyze the historical perspective on labour law and flexibility in the Slovak Republic, especially in comparison to other legal systems both from legal and managerial point of view.

Acknowledgement
This article is an output of the science project VEGA 1/0813/19 *"Managing the development of innovative and start-up forms of businesses in international environment and verification of INMARK concept."*

References

1. Barancová, H. et al. 2019. Zákonník práce Komentár. Bratislava : C.H.Beck, 1520
2. Beardwell, J., Claydon, T. 2007. Human Resource Management – A Contemporary Approach. Harlow: Pearson Education Limited,
3. Bogaert, D., Gross-Schaefer, A. (2005). Terminating the employee-employer relationship: ethical and legal challenges. Columbia: Columbia Southern University, 49-66.
4. Boxall, P., Purcell, J., Wright, P. 2007. The Oxford Handbook of Human Resource Management. Oxford: Oxford University Press,
5. Černáková, J. 2017. Pracovnoprávne vzťahy pri prevode podniku. Bratislava: Wolters Kluwer, 104
6. Eger, T. 2003. Opportunistic termination of employment contracts and legal protection against dismissal in Germany and the USA. International Review of Law and Economics, 23 (4), 381- 403
7. Holub, D. 2017. Dohoda o skončení pracovného pomeru z hľadiska podstatných náležitostí. Studia commercialia Bratislavensia, 10 (2), 146-156
8. Klerck, G. 2009. Industrial relations and human resource management. In D. G. Collings & G. Wood (Eds.), Human resource management: A critical approach. London: Routledge, 238-259

9. Magotsch, M., Kremp, P. 2018. Termination of Employment. Key Aspect of German Employment and Labour Law, Springer: Berlin, 161-170
10. Mathis, R. L. et al. 2017. Human Resource Management. Boston: Cengage Learning, 69
11. Olšovská, A., Mura, L. Švec, M. 2015. The most recent legislative changes and their impact on interest by enterprises in agency employment: What is next in human resource management? Problems and Perspectives in Management, 13 (3), 47-54
12. Olšovská, A., Mura, L., Švec, M. 2016. Personnel management in Slovakia: An explanation of the latent issues. Polish Journal of Management Studies, 13 (2), 110-120
13. Olšovská, A., Švec, M. 2017. The Admissibility of Arbitration Proceedings in Labour Law Disputes in Slovak Republic. E-Journal of International and Comparative Labour Studies, 6 (3), 112-123
14. Paul, R.J., Townsend, J.B. 1993. Wrongful termination: Balancing employer and employee rights - A summary with recommendations. Employee Responsibilities and Rights Journal, 6 (1), 69-82
15. Pittard, M. 2008. Back to the Future: Unjust Termination of Employment Under the Work Choices Legislation. Australian Journal of Labour Law, 19 (1), 110-118
16. Price, A. 2011. Human Resource Management. Hampshire: Cengage Lerning EMEA,
17. Simons, R. 2011. Human Resource Management. Issues, Challenges and Opportunities. Oakvill: Apple Academic Press,
18. Strolka, M. 2019. Terminating Employment Relationships – Employment Termination Law. Berlin: Springer, 223-238
19. Švec, M. Toman, J. et al. 2019. Zákonník práce. Zákon o kolektívnom vyjednávaní. Komentár. Zväzok I. Bratislava: Wolters Kluwer, 1479
20. Švec, M., Horecký, J., Madleňák, A. 2018. GDPR in Labour Relations – with or without the Consent of the Employee? AD ALTA-Journal of interdisciplinary research, (8) 2, 281-286
21. Treľová, S. 2019. Základy pracovného práva pre manažérov. Brno:Tribun EU, 85

Authors contact:
Milena Nosková, Mgr., PhD., MBA, LL.M., Comenius University in Bratislava, Faculty of Management, Department of Information Systems, Odbojárov 10, 820 05 Bratislava, Slovakia. email: *milena.noskova@fm.uniba.sk*
ORCID: *https://orcid.org/0000-0001-7354-9000*

Tomáš Peráček, doc., JUDr. PhDr., PhD., Comenius University in Bratislava, Faculty of Management, Department of Information Systems, Odbojárov 10, 820 05 Bratislava, Slovakia. email: *tomas.peracek@fm.uniba.sk*
ORCID: *http://orcid.org/0000-0002-3498-5640*

Salama, A., Oláh, J. (2019). Key factors affecting unemployment in the Arab world.
Central European Journal of Labour Law and Personnel Management, 2 (2), 60-72.
doi: 10.33382/cejllpm.2019.03.05

KEY FACTORS AFFECTING UNEMPLOYMENT IN THE ARAB WORLD

Ahmed Salama [1] – Oláh Judit [2]

[1] University of Debrecen, Ihrig Károly Doctoral School, Debrecen, Hungary
[2] Faculty of Economics and Business, University of Debrecen, Debrecen, Hungary

Received: 19. November 2019, Reviewed: 28. December 2019, Accepted: 30. December 2019

Abstract

This paper aims to study the factors that determine unemployment in the Arab world. The study utilizes the panel regression method for the time series period from 2000 to 2016. The study tested the impact of many variables on unemployment such as macroeconomics variables, educational variables, labour market variables and besides studying the impact of economic freedom and the financial crisis of 2008. The results show that economic freedom has negative and significant relationships with total unemployment, the male and female unemployment as well. The impact of 2008 financial crisis on total unemployment appeared to have no significant impact on total unemployment.

Keywords: Unemployment, key factors, the Arab world

DOI: 10.33382/cejllpm.2019.03.05

JEL classification: E24, J24, R23

Introduction

Unemployment is one of the importance issues facing many countries (Meyer and Meyer, 2019; Nickell et al., 2019; Oláh and Pakurár, 2011). To deal with the unemployment problem, an investigation of its determinants needed to be identified in which by identifying its determinants, the solution for unemployment challenge can be offered (Meyer, 2017). In the Arab world, determinants of unemployment are not more investigated particularly in term of more Arabic countries together, for this reason; this paper will evaluate the determinants of unemployment in Arabic countries. Moreover, this paper will test the influence of the financial crisis of 2008 on unemployment in the Arabic world. This topic studied by many scholars in many countries, recently, for example, de Lima and Marques (2019) examined what determines unemployment in Brazil or in Romania (Stoian et al., 2017). In turn, Greblikaite et al. (2015, 2016) analysed another aspect associated with reduction of unemployment level, focusing

on establishment of the social enterprises, as well as female entrepreneurship (Meyer, 2019). As have been confirmed by the authors, this plays a key role in diminishing the poverty in the particular countries, regardless of the level of development.

As fewer studies address the topic jointly in the Arab world, this paper will fill the gap and contribute new findings by study the determinants of unemployment in Arabic countries. Moreover, this paper will evaluate the difference between males and females in terms of the determinants of unemployment. On the other hand, several researchers have researched the effect of financial crises on unemployment, for example, Bernal-Verdugo et al. (2013) mentioned how the banking crisis affected the unemployment. As fewer studies address the influence of financial crises on total unemployment in Arab countries, this paper will fill the gap by studying how financial crises affect total unemployment. In addition, this paper will examine the difference between men and women in the effect of financial crises on total unemployment in Arab countries.

A critical effect can be done by economic freedom on unemployment, for example, Feldmann (2007) discovered that particularly among young people and women, economic freedom can ultimately decrease unemployment. For fewer studies discussing economic freedom's impact on total unemployment in Arab countries, this paper will fill the gap and contribute new findings by study how the economic freedom affect the total unemployment. In addition, this paper will explore the difference between males and females in terms of economic freedom's influence on total unemployment in Arab countries. Investigating the determinants of unemployment in Arabic countries has many benefits compared to the determinants of unemployment of each Arab country separately. The Arab League is a voluntary association of Arabic countries with an aim to strengthen ties among the member states and coordinate their policies.

Theoretical background

Several studies discussed total unemployment and its determinants and how it is affected by the crisis, but the Arab world's research on this subject is scarce, especially in the case of studying Arab countries together. In addition, only a few factors are analyzed with respect to the determinants of total unemployment. In fact, the impact of the crisis has not been addressed yet. All of these factors propelled us to undertake this study in which, by concentrating only on the Arab world, the study would discuss total unemployment and its determinants. In addition, researching total unemployment determinants, the study can discuss, whether or not the financial crisis has influenced the overall unemployment. Many researchers addressed the factors that determine unemployment, for example, Eita and Ashipala (2010) assessed unemployment determinants in Namibia from 1971 to 2007. They found that both investment and inflation have a negative relationship with unemployment. The factors affecting unemployment in Pakistan from 1998 to 2008 were analyzed by Rafiq et al. (2010). They concluded that the determinants of unemployment in Pakistan were FDI, inflation and the growth of population. The study found that inflation and FDI affected the unemployment negatively, while the polulation growth had positive effect on unemployment in Pakistan. Maqbool et al. (2013) evaluated the unemployment determinants in Pakistan between 1976 and 2012 by analyzing the relationship between unemployment, GDP, population, foreign direct investment, external debt and inflation. To assess the determinants of unemployment, they used the *"Autoregressive Distributed Lag (ARDL)"*

method. They found that the key determinants of unemployment in Pakistan are GDP, population, foreign direct investment, and inflation in the short and long run. Abbas (2014) inspected the long-term impact of economic growth on Pakistan's level of unemployment between 1990 and 2006. Throughout his research, he used the ARDL model and found that economic growth has a negative long-term impact on the level of unemployment. Arslan & Zaman (2014) evaluated unemployment determinants in Pakistan between 1999 and 2010. For conducting the study, they used the ordinary least square method. They found that some of the variables negatively affect unemployment, such as the rate of inflation, foreign direct investment, and the rate of gross domestic product. On the other hand, they found the relationship between unemployment and population growth to be positive. Chowdhury and Hossain (2014) examined the macroeconomic determinants of Bangladesh's unemployment rate from 2000 to 2011. Utilizing the *"Simple Single Equation Linear Regression Model,"* they found that exchange rate and GDP growth rate have a negative effect on unemployment. On the other hand, the inflation rate was found to have a positive effect on unemployment. Kamran et al. (2014) analyzed the unemployment determinants in Pakistan in the period 1981-2010. They utilized the method of regression and found that population growth has a positive effect on unemployment. On the other hand, they found that foreign direct investment and the literacy rate negatively affected the unemployment. Mahmood et al. (2014) studied unemployment determinants in Pakistan between 1990 and 2010. They found that the labor force has a positive impact on unemployment among the variables studied. In the case of FDI and inflation, it has had a negative impact on unemployment in Pakistan. Trimurti and Komalasari (2014) assessed the relationship between unemployment and economic growth, minimum wage and inflation in Indonesia from 2004 to 2012 in seven provinces. They used regression models and found that there is no significant impact on unemployment from economic growth and minimum wage. They also found that inflation had a positive impact on unemployment. Aqil et al. (2014) inspected what determines Pakistan's unemployment. They found that the growth rate of population and FDI were negatively linked to unemployment, while unemployment was not significantly affected by inflation and GDP growth. Asliddin & Gharleghi (2015) investigated what defines Tajikistan's high unemployment. They stated that low wages and educational shortages were major determinants of high unemployment in Tajikistan, both of which are positively related to unemployment. The determinants of unemployment in BRIC countries (Brazil, Russia, India, and China) were investigated by Gur (2015). The study used the panel data analysis method between 2001 and 2012. The study found that unemployment is increasing mainly due to inflation and growth of population. In addition, the study found that the main factors that reduce unemployment are growth of GDP, volume of trade, overall investment, and growth of industrial product consecutively.

Sunde and Akanbi (2015) tackled the causes of unemployment in Namibia between 1980 and 2013. They found that aggregate demand, real wages and labor supply are the key factors that affect the unemployment. Determinants of unemployment were studied by Ogbeide et al. (2015) in Nigeria between 1981 and 2013. They found that foreign direct investment, GDP, trade openness, and depreciation of the exchange rate are among the factors that help to reduce unemployment. On the other hand, they found that some of the factors in Nigeria made unemployment worse, such as the rent of natural resources and financial development.

By focusing on macroeconomic determinants, Oniore et al. (2015) determined the factors affecting unemployment in Nigeria. In short term, they found that inflation, private domestic investment, GDP growth rate and degree of openness have a significant impact on Nigeria's unemployment. Meyer and de Jongh (2018) explored the perceived barriers of employment among young labour market participants in South Africa, and found that participants viewed that the skills mismatch, their education level and lack of job availability are the most important factors that influence the outcomes of employment.

Kokotović (2016) compares the factors in some European countries that affect total unemployment and youth unemployment. He used the *"Distributed Lags (ARDL)"* method and found that growing public debt-to-GDP ratios in Croatia and Spain had a greater impact on youth unemployment than overall unemployment. Similarly, Zvarikova and Majerova (2014) highlighted this issue in specific conditions of Slovak Republic.

From 1982 to 2014, Şahin (2016) assessed the determinants of unemployment in China. He used the *"Autoregressive Distributed Lag (ARDL)"* method, and found that the relationship between GDP and unemployment is negative and significant and the relationship between the unemployment rate and foreign direct investment and the rate of inflation is positive but insignificant in long run. Furthermore, the study found that the relationship between unemployment and GDP, foreign direct investment and inflation in the short run is negative but insignificant.

Alrabba (2017) analyzed the unemployment rate determinants in Jordan between 1992 and 2015. He found that private investment adversely affected the unemployment, while it had positive impact on unemployment by the inflation rate. Dalmar et al. (2017) tested unemployment determinants in Somalia between 1995 and 2014. They found the relationship between unemployment and GDP, external debt, and growth of population to be positive, and found the relationship between unemployment and exchange rate and gross capital formation to be negative and not significant. From 1991 to 2014, Folawewo and Adeboje (2017) investigated the macroeconomic determinants of unemployment in the West African countries ' economic community. They found that growth in the gross domestic product (GDP) and foreign direct investment (FDI) had a negative effect on unemployment, while the productivity of labor and inflation had a positive effect on unemployment.

O'Nwachukwu (2017) studied unemployment determinants in Nigeria between 1980 and 2016 and found that population, government expenditure and inflation appeared to be important in deciding and demonstrating unemployment, however, on the other hand, real GDP appeared not to be significant in Nigeria to explain unemployment. The variables affecting unemployment in Turkey were inspected by Yüksel and Adali (2017). They used the Multivariate Adaptive Regression Splines (MARS) method and quarterly data from 2003 to 2016. They found that inflation and economic growth are among the variables that influenced the unemployment in Turkey, both of which have a negative impact on unemployment. Alrayes and Abu Wadi (2018) evaluated unemployment determinants in Bahrain between 1980 and 2015. They aimed at researching the impact of government expenditure, inflation, GDP and fixed capital formation's gross rate on unemployment. They found that inflation and economic growth have no significant effect on unemployment. They also found that government expenditure and the formation of fixed capital have a significant impact on unemployment in Bahrain. Riaz and Zafar

(2018) addressed Pakistan's unemployment determinants. Using data from 1990 to 2015, they utilized the "Auto Regressive Distributed Lag" method. They found that unemployment and GDP have a negative relationship in long run. In addition, they found that unemployment is linked positively to technical and vocational education and the population in which the relationship is not significant for technical and vocational education and significant for the population in Pakistan. Muafiqie et al. (2018) checked the factors that influence the level of unemployment in Indonesia. The research covers the 2000-2016 periods. They found that GDP, wages, inflation and foreign capital flows are factors influencing the unemployment in Indonesia. By using the ARDL model, de Lima and Marques (2019) investigated what determines the unemployment in Brazil. They noted that there is a negative long-term relationship between unemployment and exports, inflation and the national product in which the rise in these factors will contribute to decrease in unemployment.

Material and methods

This paper looks at the determinants of overall unemployment for the period from 2000 to 2016; the study covers some Arab countries including Algeria, Egypt, Jordan, Kuwait, Morocco, Oman, Qatar, Saudi Arabia, and Tunisia. This research used databases from various sources, for example, *"total unemployment rate (+15), male unemployment rate (+15), female unemployment rate (+15)"* were obtained from International Labour Organization (ILO), ILOSTAT database *(see Appendix)*. The variables named *"Gross domestic product, constant prices, percent change, General government revenue, percentage of GDP"* were obtained from International Monetary Fund (IMF), World Economic Outlook Database (see Appendix).

The variables named *"Manufacturing, value added (% of GDP), Imports of goods and services (% of GDP), Trade, percentage of GDP"* were obtained from The World Bank, World Development Indicators database (see Appendix). The variable named *"Employment in services, percent of total employment, modeled ILO estimate"* was obtained from The World Bank, Sustainable Development Goals database *(see Appendix)*. Educational variable named *"Education Index"* was obtained from the United Nations Development Programme (UNDP), Human Development Reports database *(see Appendix)*. Economics freedom variables such as *"Index of economic freedom"* were obtained from The Heritage Foundation database *(see Appendix)*. The study will examine the impact of (labour market, economic, and educational, economic freedom, financial crisis) variables on total unemployment and in addition to that, the study will test the effect of these variables on unemployment among males and females as well.

The research will include the following countries in the time series analysis from 2000 to 2016: Algeria, Egypt, Jordan, Kuwait, Morocco, Oman, Qatar, Saudi Arabia, and Tunisia. The dependent variables will include total unemployment rate (+15), male unemployment rate (+15), female unemployment rate (+15)". The independent variables include some of (labour market, economic, and educational, economic freedom, financial crisis) variables. Economic variables include GDP growth rate, imports of goods and services (% of GDP), manufacturing value added (% of GDP), government revenues, percentage of GDP, trade percentage of GDP, employment in services. The study utilized the *"Education index"* as a representative of education variables. In the case of economic freedom variables, the study utilized *"index of economic freedom"*. Moreover, the research will

also use a dummy variable for the 2008 financial crisis. The dummy variable for the 2008 financial crisis will show 1 if the year is 2008 and 0 is in the panel database otherwise. Due to availability of short-term data, the study will use panel regression methods in which the study will use the random-effects GLS regression method. In order to test the effect of variables (labour market, economic, educational, economic freedom, financial crisis) on total unemployment and in addition to evaluate the influence of these variables on unemployment of males and females, the study will analyze the data using the random-effects GLS regression.

Results and discussion

Table 1 shows the impact of (labour market, economic, and educational, economic freedom, and financial crisis) variables on total unemployment. Total unemployment (TU) is the dependent variable and the independent variables are GDP growth rate, manufacturing value added (% of GDP), imports of goods and services (% of GDP), government revenues, percentage of GDP, trade percentage of GDP, employment in service, education index, index of economic freedom, and financial crisis dummy variable. The results show that imports of goods and services (% of GDP) (IMGDP), government revenues, percentage of GDP (GRGDP), and economic freedom (EFINDEX) are associated significantly with the total unemployment. Government revenues, percentage of GDP (GRGDP), and economic freedom (EFINDEX) have a significant negative relationship with the total unemployment. On the other side, imports of goods and services (% of GDP) (IMGDP) have a significant positive relationship with total unemployment. Imports of goods and services (% of GDP) (IMGDP), government revenues, percentage of GDP (GRGDP) and economic freedom (EFINDEX) are the determinants of total unemployment. On another hand, the results showed that GDP growth (GDPGR) has a negative but not significant relationship with total unemployment and in addition to that, employment in service appeared to be non-significant in relation to total unemployment. Moreover, the financial crisis (FCDUMMY) appeared to have an inverse and not significant relationship with total unemployment.

Table 1: Determinants of total unemployment 2000-2016

TU	Coef.	Std. Err.	z	P>z	[95% Conf.	Interval]
GDPGR	-.137888	.0858764	-1.61	0.108	-.3062026	.0304266
IMGDP	.1634153	.0558097	2.93	0.003	.0540302	.2728003
GRGDP	-.1404019	.0480471	-2.92	0.003	-.2345725	-.0462314
TRADEGDP	-.0339044	.0434042	-0.78	0.435	-.118975	.0511663
MVAGDP	.0099885	.0139174	0.72	0.473	-.0172892	.0372662
EMPLOYMENTSERVICES	.047638	.0397201	1.20	0.230	-.030212	.1254879
EDUINDEX	-8.006344	5.301341	-1.51	0.131	-18.39678	2.384095
EFINDEX	-.3854117	.088587	-4.35	0.000	-.5590389	-.2117844
FCDUMMY	-.7435816	1.428266	-0.52	0.603	-3.542932	2.055769
_cons	36.402	4.784626	7.61	0.000	27.02431	45.7797

Source: Author's own calculation (2019)

Table 2 shows the impact of (labour market, economic, and educational, economic freedom, and financial crisis) variables on male total unemployment. The dependent variable is male total unemployment (TUM) and the independent variables are GDP growth rate, manufacturing value added (% of GDP), imports of goods and services (% of GDP), government revenues, percentage of GDP, trade percentage of GDP, employment in service, education index, index of economic freedom, and financial crisis dummy variable.

The results show that imports of goods and services (% of GDP) (IMGDP), government revenues, percentage of GDP (GRGDP), education index (EDUINDEX), economic freedom (EFINDEX) are associated significantly with male total unemployment. Government revenues, percentage of GDP (GRGDP), education index (EDUINDEX), economic freedom (EFINDEX) have a significant negative relationship with male total unemployment.

On the other side, imports of goods and services (% of GDP) (IMGDP) have a significant positive relationship with male total unemployment. Imports of goods and services (% of GDP) (IMGDP), government revenues, percentage of GDP (GRGDP), education index (EDUINDEX), economic freedom (EFINDEX) are the determinants of male total unemployment.

On another hand, the results showed that GDP growth (GDPGR) has a negative but not significant relationship with male total unemployment and in addition to that, employment in service appeared to be non-significant in relation to male total unemployment. Moreover, the financial crisis (FCDUMMY) appeared to have an inverse and not significant relationship with male total unemployment.

Table 2: Determinants of total male unemployment 2000-2016

TUM	Coef.	Std. Err.	z	P>z	[95% Conf.	Interval]
GDPGR	-.1244735	.0898321	-1.39	0.166	-.3005412	.0515943
IMGDP	.1356054	.0583805	2.32	0.020	.0211817	.2500291
GRGDP	-.1217644	.0502603	-2.42	0.015	-.2202728	-.023256
TRADEGDP	-.0010864	.0454035	-0.02	0.981	-.0900757	.0879029
MVAGDP	.0127359	.0145585	0.87	0.382	-.0157982	.0412701
EMPLOYMENTSERVICES	.0250772	.0415497	0.60	0.546	-.0563588	.1065132
EDUINDEX	-13.80095	5.545539	-2.49	0.013	-24.67001	-2.931892
EFINDEX	-.340765	.0926676	-3.68	0.000	-.5223901	-.1591399
FCDUMMY	-1.04076	1.494057	-0.70	0.486	-3.969058	1.887538
_cons	34.59829	5.005022	6.91	0.000	24.78863	44.40796

Source: Author's own calculation (2019)

Table 3 shows the impact of (labour market, economic, and educational, economic freedom, and financial crisis) variables on female total unemployment. The dependent variable is female total unemployment (TUF) and the independent variables are GDP growth rate, manufacturing value added (% of GDP), imports of goods and services (% of

GDP), government revenues, percentage of GDP, trade percentage of GDP, employment in service, education index, index of economic freedom, and financial crisis dummy variable.

The results show imports of goods and services (% of GDP) (IMGDP), government revenues, percentage of GDP(GRGDP), trade percentage of GDP (TRADEGDP), employment in service (EMPLOYMENTSERVICES) education index (EDUINDEX), economic freedom (EFINDEX) are associated significantly with female total unemployment. Government revenues, percentage of GDP (GRGDP), trade percentage of GDP (TRADEGDP), and economic freedom (EFINDEX) have a significant negative relationship with female total unemployment.

On the other side, imports of goods and services (% of GDP) (IMGDP), employment in service (EMPLOYMENTSERVICES) education index (EDUINDEX) have a significant positive relationship with female total unemployment. Imports of goods and services (% of GDP) (IMGDP), government revenues, percentage of GDP(GRGDP), trade percentage of GDP (TRADEGDP), employment in service (EMPLOYMENTSERVICES) education index (EDUINDEX), economic freedom (EFINDEX) are the determinants of female total unemployment.

On another hand, the results showed that GDP growth (GDPGR) has a negative but not significant relationship with female total unemployment. Moreover, the financial crisis (FCDUMMY) appeared to have a positive and not significant relationship with female total unemployment.

Table 3: Determinants of total female unemployment 2000-2016

TUF	Coef.	Std. Err.	z	P>z	[95% Conf.	Interval]
GDPGR	-.1475298	.0999321	-1.48	0.140	-.3433931	.0483335
IMGDP	.2499541	.0649443	3.85	0.000	.1226655	.3772426
GRGDP	-.2590489	.0559111	-4.63	0.000	-.3686327	-.149465
TRADEGDP	-.1488887	.0505083	-2.95	0.003	-.2478832	-.0498942
MVAGDP	.0045237	.0161954	0.28	0.780	-.0272187	.036266
EMPLOYMENTSERVICES	.1878683	.0462213	4.06	0.000	.0972763	.2784603
EDUINDEX	19.61585	6.169033	3.18	0.001	7.524765	31.70693
EFINDEX	-.4980165	.1030863	-4.83	0.000	-.700062	-.2959709
FCDUMMY	.6775092	1.662036	0.41	0.684	-2.580022	3.935041
_cons	35.02772	5.567745	6.29	0.000	24.11514	45.9403

Source: Author's own calculation (2019)

The results showed that the determinants of total male unemployment are different from determinants of total female unemployment, for example, the determinants of total female unemployment are imports of goods and services (% of GDP), government revenues, percentage of GDP, trade percentage of GDP, employment in service,

education index, and economic freedom, which are different from determinants of total male unemployment.

The GDP growth is not significant in all models. This finding is in line with (Şahin, 2016) findings, where the relationship between unemployment and GDP is negative but insignificant in short-run. The reason of insignificant impact of GDP growth on total unemployment can be explained by not enough GDP growth compared to labour force growth. The second reason might be explained by the study of Şahin (2016), who found that in short-run, the unemployment and GDP are negative but insignificant.

Moreover, the findings show that government revenues have negative and significant relationships with the total unemployment and the unemployment rate of males and females as well. This implies how government revenues are critical in explaining unemployment. Therefore, government revenues can play a role in decreasing the total unemployment. Goods and services imports have positive and significant relationships with the total unemployment and the unemployment rate of males and females. This finding shows how Goods and services imports can impact, explain and help in determining unemployment.

In the case of trade, percentage of GDP, the results showed that trade, percentage of GDP have negative relationships with total unemployment and the unemployment rate of males and females, but significant only in the case of females unemployment. This implies how trade can affect the female unemployment. Regarding employment in services, the finding showed that employment in services has positive relationships with the total unemployment and the unemployment rate of males and females, but significant only in the case of female unemployment. The reason might be that the mentioned sector has no significant impact on female unemployment. This finding shows how employment in services can help to understand the female unemployment ratio.

Education, summarized in education index has a negative, but not significant relationship with the total unemployment. In the case of male total unemployment, the education index appeared to have a negative and significant relationship. On the other side, the total female unemployment and the education index appeared to have a positive and significant relationship. The relations should be negative as education has negative impact on unemployment, but the results here are positive since cumulative and high female unemployment leads education to have positive not a negative relation with unemployment of females. In addition to that, females may also have more job opportunities in agriculture, which does not require qualification. If a female receives more education, can join job opportunity easier, since they seem to be satisfied with lower wage. This is clearly presented in case of the Palestine unemployment (Salama, 2017).

Economic freedom has negative and significant relationships with the total unemployment and the unemployment rate of males and females as well. This finding goes in line with Feldmann's (2007) findings. This reflects the impact of economic freedom on total unemployment. Therefore, the improvement of economic freedom can play a role in decreasing the total unemployment. With regard to the impact of the financial crisis of 2008 on total unemployment, the findings showed that there is no significant impact on total unemployment, but surprisingly, the sign between the variable financial crisis and

the total unemployment is negative. This finding might be consistent with the findings of Demidova and Signorelli (2010). The reason might be that the 2008 financial crisis did not hit the Arab world in that measure as it hit the US and the EU. In addition to this, unemployment is increasing due to other reasons in some Arab world countries, so the impact of these reasons may have a greater impact on unemployment in the region, which is why the financial crisis of 2008 seemed to have no impact on the total unemployment.

Conclusion

The purpose of this paper is to research the determinants of the Arab world's total unemployment. The method of panel regression was used in the research to examine the effect of variables (labour market, economic and educational, economic freedom, financial crisis) on total unemployment, and assess the impact of these variables on unemployment among genders. In the time series study between 2000 and 2016, the study covered Algeria, Egypt, Jordan, Kuwait, Morocco, Oman, Qatar, Saudi Arabia and Tunisia. The results show that imports of goods and services (% of GDP), government revenues, percentage of GDP, and economic freedom are associated significantly with the total unemployment. The findings showed that the determinants of total unemployment are Imports of goods and services (% of GDP), government revenues, percentage of GDP and economic freedom. The results show that imports of goods and services (% of GDP), government revenues, percentage of GDP, education index, and economic freedom are associated significantly with the male total unemployment. The findings showed that the determinants of male total unemployment are Imports of goods and services (% of GDP), government revenues, percentage of GDP, education index, and economic freedom. The results show that the imports of goods and services (% of GDP), government revenues, percentage of GDP, trade, percentage of GDP, employment in service, education index, and economic freedom are associated significantly with the female total unemployment. The findings showed that the determinants of total unemployment among women are Imports of goods and services (% of GDP), government revenues, percentage of GDP, trade percentage of GDP, employment in service, education index and economic freedom. Further studies can address the determinants of unemployment from a microeconomics perspective, which will be helpful to understand entirely the determinants of unemployment in the Arab world.

References

1. Abbas, S. 2014. Long Term Effect of Economic Growth on Unemployment Level : In Case of Pakistan. Journal of Economics and Sustainable Development, 5 (11), 103–107. http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.874.831&rep=rep1&type=pdf
2. Alrabba, M. I. M. 2017. The Determinants of Unemployment Rate in Jordan: A Multivariate Approach. International Journal of Economics and Finance, 9 (11), 109–117. https://doi.org/10.5539/ijef.v9n11p109
3. Alrayes, S. E., Abu Wadi, R. M. 2018. Determinants of Unemployment in Bahrain. International Journal of Business and Social Science, 9 (12), 64–74. https://doi.org/10.30845/ijbss.v9n12p8
4. Aqil, M., Qureshi, M. A., Ahmed, R. R., Qadeer, S. 2014. Determinants of Unemployment in Pakistan. International Journal of Physical and Social Sciences

(IJPSS), 4 (4), 676–682.https://www.researchgate.net/profile/Rizwan_Ahmed12/publication/261285461_Determinants_of_Unemployment_in_Pakistan/links/02e7e533c34198a6b2000000.pdf

5. Arslan, M., Zaman, R. 2014. Unemployment and Its Determinants:A Study of Pakistan Economy (1999-2010). Journal of Economics and Sustainable Development, 5(13), 20–24. https://pdfs.semanticscholar.org/623e/7011cb8e4b2169ef5cc7a437c9f1c54251d8.pdf
6. Asliddin, N., Gharleghi, B. 2015. Factors Influencing High Unemployment in Tajikistan. International Journal of Social Science Studies, 3 (6), 49–56. https://doi.org/10.11114/ijsss.v3i6.938
7. Bernal-Verdugo, L. E., Furceri, D., Guillaume, D. 2013. Banking crises, labor reforms, and unemployment. Journal of Comparative Economics, 41 (4), 1202–1219. https://doi.org/10.1016/j.jce.2013.03.001
8. Chowdhury, M. S. R., Hossain, M. T. 2014. Determinants of Unemployment in Bangladesh: A Case Study. Developing Country Studies, 4 (3), 16–20. https://pdfs.semanticscholar.org/d01a/b61514ccd8a580776a368fe7696b636c6371.pdf
9. Dalmar, M. S., Sheikh Ali, A. Y., Ali, A. A. 2017. Factors Affecting Unemployment in Somalia. Journal of Economics and Sustainable Development, 8 (22), 200–210. https://pdfs.semanticscholar.org/374e/730808df9a80635fa4950dda149ff7ff70ca.pdf
10. De Jongh, J.J, Meyer, N. 2018. Perceived barriers of employment among young labour market participants: Evidence from selected municipal areas in South Africa. Paper presented at the 2nd International Conference of Contemporary Issues in Theory and Practice of Management held at Czestochowa University of Technology on 19-20 April 2018. p. 86-93. https://www.researchgate.net/profile/Jacques_De_Jongh/publication/325415946
11. de Lima, F. R. S., Marques, J. B. 2019. Macroeconomic Determinants of Unemployment in Brazil: An ARDL Approach. Modern Economy, 10 (7), 1744–1758. https://www.scirp.org/pdf/ME_2019071813555731.pdf
12. Demidova, O., Signorelli, M. 2010. The Impact of Crises on Youth Unemployment of Russian Regions: An Empirical Analysis. Quaderni Del Dipartimento Di Economia, Finanza e Statistica 78/2010.Universitŕ Di Perugia, Dipartimento Economia. http://www.ec.unipg.it/DEFS/uploads/qd78web.pdf
13. Eita, J. H., Ashipala, J. M. 2010. Determinants of Unemployment in Namibia. International Journal of Business and Management, 5 (10), 92–104. https://doi.org/10.5539/ijbm.v5n10p92
14. Feldmann, H. 2007. Economic Freedom and Unemployment around the World. Southern Economic Journal, 74(1), 158–176. https://doi.org/10.2307/20111958
15. Folawewo, A. O., Adeboje, O. M. 2017. Macroeconomic Determinants of Unemployment: Empirical Evidence from Economic Community of West African States. African Development Review, 29 (2), 197–210. https://doi.org/10.1111/1467-8268.12250
16. Greblikaite J., Sroka W., Grants J. (2015). Development of Social Entrepreneurship in European Union: Policy and Situation of Lithuania and Poland, Transformations in Business & Economics, 14 (2B (35B), 376—96.
17. Greblikaite J., Sroka W., Gerulaitiene N., (2016). Involving young people in Polish and Lithuanian social enterprises by fostering entrepreneurial skills and abilities

as entrepreneurial opportunity at university, Entrepreneurial Business and Economics Review, 4 (3), 131–152. https://doi.org/10.15678/EBER.2016.040310
18. Gur, B. 2015. An Analysis of Unemployment Determinants in BRIC Countries. International Journal of Business and Social Science, 6 (1), 192–198. http://ijbssnet.com/journals/Vol_6_No_1_Januaryr_2015/21.pdf
19. Kamran, A., Shujaat, S., Syed, N. A., Ali, S. N. 2014. A Study on Determinants of Unemployment in Pakistan. In In J. Xu et al. (eds.), Proceedings of the Seventh International Conference on Management Science and Engineering Management (Vol. 2). Lecture Notes in Electrical Engineering 242. Springer-Verlag Berlin Heidelberg 2014. (pp. 1337–1348). https://doi.org/10.1007/978-3-642-40081-0_114
20. Kokotović, F. 2016. An empirical study of factors influencing total unemployment rate in comparison to youth unemployment rate in selected EU member-states. Theoretical and Applied Economics, 23 (3), 79–92. http://store.ectap.ro/articole/1199.pdf
21. Mahmood, T., Ali, A., Akhtar, N., Iqbal, M., Qamar, S., Nazir, H. Z., … Sana, I. 2014. Determinants of Unemployment in Pakistan: A Statistical Study. International Journal of Asian Social Science, 4 (12), 1163–1175. http://www.aessweb.com/pdf-files/ijass-2014-4(12)-1163-1175.pdf
22. Maqbool, M. S., Mahmood, T., Sattar, A., Bhalli, M. N. 2013. Determinants of Unemployment: Empirical Evidences from Pakistan. Pakistan Economic and Social Review, 51 (2), 191–207. http://pu.edu.pk/images/journal/pesr/PDF-FILES/5 MAQBOOL Determinants of Unemployment_V51_No2_Winter2013.pdf
23. Meyer, N. 2017. South Africa's Youth Unemployment Dilemma: Whose Baby is it anyway? Journal of Economics and Behavioral Studies, 9 (1), 56-68. https://repository.nwu.ac.za/bitstream/handle/10394/27470/2017South%20Africa.pdf?sequence=1
24. Meyer, N. (2019). South African female entrepreneurs' business styles and their influence on various entrepreneurial factors, Forum Scientiae Oeconomia, 7 (2), 25-35. https://Doi.org/10.23762/FSO_VOL7_NO2_2
25. Meyer, N., Meyer, D.F. 2019. Examining the impact of entrepreneurial activity on employment and economic growth: The case of the Visegrád countries. Polish Journal of Management Studies, 20 (1), 277–292. https://doi.org/10.17512/pjms.2019.20.1.25 https://pjms.zim.pcz.pl/resources/html/article/details?id=196836
26. Muafiqie, H., Mustain, M. M., Setiawan, D. 2018. Determinant Factors of Unemployment Level in Indonesia at 2000-2016 Period. Developing Country Studies, 8 (4), 19–25. https://www.iiste.org/Journals/index.php/DCS/article/view/41836/43085
27. Nickell, D., Kliestikova, J., Kovacova, M. 2019. The increasing casualization of the gig economy: insecure forms of work, precarious employment relationships, and the algorithmic management of labor. Psychosociological Issues in Human Resource Management, 7 (1), 60–65. https://doi.org/10.22381/PIHRM7120197
28. Oláh, J., Pakurár, M. 2011. The 'impact' on sustainable economic prosperity on Karcag and Hajdúszoboszló local labour systhems. Lithuanian University of Agriculture. The fifth international sientific conference Rural Development 2011: in global changes, 24-25 November 2011 Aleksandras Stulginskis University

Akademija, Kaunas district, Lithuania, Proceedings Volume 5. Book 1, 168-171. p. ISSN 1822 3230

29. O'Nwachukwu, C. I. 2017. Determinants of the Rate of Unemployment in Nigeria. International Journal of Information Research and Review, 4 (1), 3593–3595. http://www.ijirr.com/sites/default/files/issues-pdf/1755.pdf
30. Ogbeide, F. I., Kanwanye, H., Kadiri, S. 2015. The Determinants of Unemployment and the Question of Inclusive Growth in Nigeria: Do Resource Dependence, Government Expenditure and Financial Development Matter? Montenegrin Journal of Economics, 11 (2), 49–64. https://doi.org/10.14254/1800-5845.2015/11-2/3
31. Oniore, J. O., Bernard, A. O., Gyang, E. J. 2015. Macroeconomic Determinants of Unemployment in Nigeria. International Journal of Economics, Commerce and Management, 3(10), 215–230. http://ijecm.co.uk/wp-content/uploads/2015/10/31014.pdf
32. Rafiq, M., Ahmad, I., Ullah, A., Khan, Z. 2010. Determinants of Unemployment: A Case Study of Pakistan Economy (1998-2008). Abasyn Journal of Social Sciences, 3 (1), 17–24. http://ajss.abasyn.edu.pk/admineditor/papers/V3I1-2.pdf
33. Riaz, A., Zafar, F. 2018. Determinants of unemployment in less developed countries. SHS Web of Conferences, 48, 01015. https://doi.org/10.1051/shsconf/20184801015
34. Şahin, D. 2016. Determinants of Unemployment: Empirical Analysis for China. The Journal of Academic Social Science, 4 (22), 50–58. https://pdfs.semanticscholar.org/2aec/d8f461a346ff2c7af1fea8345386be627710.pdf?_ga=2.157363130.1247481089.1570986649-1430984824.1570986649
35. Salama, A. 2017. Discuss the Relationship between Unemployment and Level of Education in Palestine. The Annals of the University of Oradea. Economic Sciences, 26 (1), 171–180. http://anale.steconomiceuoradea.ro/volume/2017/AUOES-1-2017.pdf
36. Stoian, M., Lădaru, G.R. and Marin, F., 2017. Unemployment and the Migration of the Romanian Labour Force. Causes and Effects. Amfiteatru Economic, 19 (46), 901–917. https://www.econstor.eu/bitstream/10419/169112/1/aej-v19-i46-p901.pdf
37. Sunde, T., Akanbi, O. A. 2015. Sources of unemployment in Namibia: an application of the structural VAR approach. Munich Personal RePEc Archive (MPRA) Paper No. 86578. https://mpra.ub.uni-muenchen.de/86578/1/MPRA_paper_86578.pdf
38. Trimurti, C. P., Komalasari, Y. 2014. Determinants of Unemployment: Empirical Evidences from 7 Province in Indonesia. Scientific Research Journal, 2 (8), 5–9. http://www.scirj.org/papers-0814/scirj-P0814170.pdf
39. Yüksel, S., Adali, Z. 2017. Determining Influencing Factors of Unemployment in Turkey with MARS Method. International Journal of Commerce and Finance, 3 (2), 25–36. http://oaji.net/articles/2017/2748-1511338197.pdf
40. Zvarikova, K., & Majerova, J. (2014). Financial literacy in the Slovak Republic. Procedia - Social and Behavioral Sciences, 110, 1106–1115. https://doi,org/10.1016/j.sbspro.2013.12.957.

Authors contact:
Ahmed Salama, University of Debrecen, Ihrig Károly Doctoral School, Böszörményi u. 138, 4032 Debrecen, Hungary; Email: *eng.ahmed.a.salama@gmail.com*
ORCID: *https://orcid.org/0000-0002-7323-9229*

Assoc. prof. Dr. habil. Judit Oláh, PhD, Faculty of Economics and Business, University of Debrecen, Böszörményi u. 138, 4032 Debrecen, Hungary. Email: *olah.judit@econ.unideb.hu*
ORCID: *https://orcid.org/0000-0003-2247-171*

Appendix

The study variables and it sources

Variable	Source of Data
Total unemployment rate (+15) Male unemployment rate (+15) Female unemployment rate (+15)	International Labour Organization (ILO), ILOSTAT database 2000-2016 *https://ilostat.ilo.org/data/*
Gross domestic product, constant prices, percent change General government revenue, percentage of GDP	International Monetary Fund (IMF), World Economic Outlook Database 2000-2016 *https://www.imf.org/external/pubs/ft/weo/2019/01/weodata/download.aspx*
Manufacturing, value added (% of GDP), Imports of goods and services (% of GDP) Trade, percentage of GDP	The World Bank, World Development Indicators database 2000-2016 *https://databank.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG/1ff4a498/Popular-Indicators#*
Employment in services (% of total employment) (modeled ILO estimate)	The World Bank, Sustainable Development Goals database 2000-2016 *https://databank.worldbank.org/source/sustainable-development-goals-(sdgs)*
Education index	United Nations Development Programme (UNDP), Human Development Reports. 2000-2016 *http://www.hdr.undp.org/en/data*
Index of economic freedom	The Heritage Foundation, Index of Economic Freedom database *https://www.heritage.org/index/2000-2016*

Source: Author's own construction (2019)

INSTRUCTIONS FOR AUTHORS

Submitting articles

The ***Central European Journal of Labour Law and Personnel Management*** is an open access scientific journal of the Labour Law Association, registered at Ministry of Culture of the Slovak Republic with registration number EV 5777/19, registered under ISSN 2644-4542 (online), ISSN 2644-4917 (print) and DOI 10.33382. The journal accepts original and authentic extended papers focusing on scientific articles of high quality in the field of labour law, social security law, human resources, HRM and related fields. The journal is published twice a year. Articles from domestic and authors abroad are accepted only in English language.

The deadline for manuscripts is 15th April and 15th November of the corresponding year.

Submissions are sent by email to *editor@llajournal.com*

General terms and conditions

The journal accepts original and authentic extended papers. Paper submitted to publisher is reviewed by two independent reviewers (system of double blind peer-review is used). Author of the submission is responsible for the formal and professional accuracy of the work and by submitting the paper/article confirms the respect of publication ethics. The originality of the paper is tested by plagiarism software. The Editorial Board of the journal will decide about publishing of the submission, considering the professional peer review, quality of the article and the scientific importance of it. The author is informed about review results via mail. If the paper is not accepted for publication, the Editorial Board of the scientific journal is entitled to archive the manuscript. If the article is accepted for publication, the author(s) will fill in and sign the license agreement with the publisher of the scientific journal.

Authors are not required to pay an article processing charge.

The Central European Journal of Labour Law and Personnel Management use Crossref and iThenticate software for plagiarism screening and verifies the paper originality. Potential authors can use this software to screen their manuscripts before submission.

Requirements for manuscript formatting

- By submitting the manuscript authors confirm originality of their work and agree with publishing the paper in printed and electronic form.
- Paper in full length including the author(s) name(s) in the DOC or DOCX format (MS Word text editor), Times New Roman 12, single line spacing (1) is required.
- The length of the article is determined in max. 15 pages, scientific reports max. 3 pages.
- Figures, schemas, etc. are placed in Word with title, note and source only for orientation purpose (not editable). All Figures, etc. need to be enclosed in separate

editable files. Figures in Word need to be identical to figures in separate editable files.

- **The title in English** is short, provides clear information about the content of work.
- **The name(s)** of the author(s) is listed who contributed to the submission. The academic degree of author(s) is not submitted. The workplace of author(s) is indicated in the next line.
- **The abstract** states the nature of the investigation and summarized the important conclusions. The abstract should not be longer than 10 lines and must be coherent and understandable without reference to the article. All the references to the author should be made in third person singular.
- Authors provide up to 5 **key words** with small letters.
- **JEL Classification** – a standard method of classifying scholarly literature in the field of economics – http://www.aeaweb.org/jel/guide/jel.php. (3 codes)
- **Introduction** – should provide overview of related research papers and work, proper references to bibliography, as well as providing information about recent research in the field of study. The introduction part should not include subchapters.
- **Theoretical background** – it should make a good impression and convince the reader why the theme is important and the approach relevant. It might refer to previous research or practical consideration, as well as review the relevant research/scientific literature.
- **Material and Methods** – this part should include subchapters describing the methods and steps applied. Enough detail about methods should be provided to revise the steps described. It is necessary to cite methods from adequate literature applied in the research.
- **Findings and Discussion** – the findings should be summarized in charts, enough facts should be provided to support conclusion. Do not present the same information in different forms (charts, graphs, text). Discussion part of the work should emphasize the new piece of information received through research compared to existing research results and findings in the studied field. This part of paper should present the main findings, testing of hypotheses and discussion of the research results.
- **Conclusion** – a synthesis of key points and, if applicable, the author recommends new areas for future research.
- **Acknowledgement** – all funding sources related to this work from all authors, a statement that indicates to the reader where the data supporting the conclusions can be obtained. The acknowledgments are also the appropriate place to thank colleagues and other contributors.
- **References** – all sources cited in text, tables, figures, and supporting information must appear in the reference list.
- Submitted papers should include links to relevant scientific literature in world scientific databases (Web of Science or Scopus, min. 5 sources).
- The author should respect STN ISO 690-692 when citing. Footnotes are not accepted.
- The bibliography should be arranged in alphabetical order, where surname of the author comes first without title, name of the author is written in capital letters.
- Internet sources should be cited as the following: surname and name of the author, title of the source, date of citation and URL (e.g. http://llajournal.com).
- Two or more works by the same author(s) published in the same year are indicated

by adding "a", "b", "c" for the year of publication. In case of more than three authors appendix "and col./et al" is included.

- The journal uses citation according to APA that uses for author's identification name and year of publication (e.g. Law, 2015; Law & Man, 2016). You may find details at *http://www.library.cornell.edu/resrch/citmanage/apa*
- **Author(s) contact** – include full name with academic title, affiliation (university, faculty, department), address (street, postcode, city), Country. Email: *name@web.com*; Authors´ ORCID (ORCID provides a central registry of researchers that crosses disciplines, work places, sectors, and national boundaries *https://orcid.org/register)* is recommended.
- **Language of the paper** – the contributions are submitted in English language (British English). The pages of manuscript are not numbered, modifications to journal template are not allowed, manuscript of the author will be sent back. Manuscript corrections are sent back on the address of the publisher within 5 days. Changes influencing the content of original manuscript are not allowed.

MANUSCRIPT REVIEW PROCESS AND REVIEW POLICY

The Central European Journal of Labour Law and Personnel Management welcomes manuscripts in the field and any subfield of Labour Law, Social Security Law, Human Resource Management, Human Resources, Motivation and Knowledge Management. The submitted manuscripts are subject to a peer review.

- This journal uses double-blind review, which means that both the reviewer and author are concealed from the reviewers, and vice versa, throughout the review process.
- Manuscripts submitted first go through an initial screening by the editorial team.
- The Editor-in-Chief resp. the Editorial Board first tests the manuscript for the several criteria of subject scope, apparent scientific validity, topical importance, relationship to prior publication, appropriate references, and length.
- We feel a strong obligation to support the scientific community in all aspects of research and publishing ethics. All new submissions to our journal are automatically screened by using the iThenticate plagiarism checker software; we are also registered members of CrossRef.
- After clearing the initial screening the manuscript is sent to one or more peer reviewers.
- The reviewers are professionals and chosen from the field and subfield of Labour Law, HR, HRM and Knowledge Management to fit the profile of the scientific journal.
- The submitted manuscript is sent to the reviewer(s) without the name and affiliation of the authors. The reviewers remain anonymous to the author(s) during the whole evaluation process.
- The Editorial Board ensures that the reviews are objective and fulfil high academic standard. The chosen peer reviewers have a good track record of producing high-quality reviews. When the objectivity or/and quality of the review does not meet the required standards, additional reviewers are appointed by the Editorial Board.
- Peer reviewers independently make a recommendation to the journal editor whether the manuscript should be accepted or rejected (with or without revisions).
- The journal editor considers all the feedback received from the reviewers and makes a decision to accept or reject the manuscript.
- The following are the most common decisions that are made:
    1) accept without any changes
    2) accept with minor revisions
    3) accept after major revisions
    4) reject the paper
- Reviews should be completed within 4-6 weeks.
- The Central European Journal of Labour Law and Personnel Management will not accept manuscripts to be reviewed if they are under consideration to be published in other scientific journals or manuscript with a content that have been substantially published elsewhere.
- Since peer review is a crucial process in publishing, the final decision on acceptance or rejection of the submitted manuscript is the responsibility of the journal's editorial team and the Editor-in-Chief.

PUBLICATION ETHICS RULES

Code of Ethics for Authors, Editors and Reviewers

I. Authors

- By submitting the paper the authors confirm that it is their original work. If the authors have used the work and/or the words of others that this has been appropriately cited.
- The authors are not allowed to send their manuscript for consideration, when it is subject to assessment in another journal.
- Authors must ensure that data have been collected in an ethical manner.
- Any conflict of interest or the appearance of a conflict of interest must be disclosed.
- Do not make significant changes to your manuscript without informing the Editorial Board. Significant change include new content, new data, or change in the list of the authors.
- Individuals who did not make significant intellectual contribution should not be listed as authors. Contributors whose contribution is not significant enough for authorship (e.g. language consultation, data collection etc.) can be acknowledged in an Author's Note, mentioning the role they played in the publication.
- All those who have made significant contribution should be listed as co-authors. The corresponding author should ensure that all the co-authors have seen and approved the final version of the paper and agreed with the terms of publication.
- Authors must report any errors they discover in their manuscript to the editor without delay.
- The authors are aware that the publication remains archived, citable and accessible.
- In case of positive assessment of the Contribution, the author confirms with his/her signature that the contribution is his/her own work and has not violated the rights of the third party. By signature he/she confirms the publication of this Contribution and distribution of printed copies, distribution of electronic copies for all electronic media and formats (posting on the Journal's official web-site, any e-print services and electronic databases or repositories).

II. Reviewer

- Reviews should be accurate, substantive and objective. They should communicate their judgement of the submission based on its merits and contribution to the scientific literature. Reviews should contain documentable and specific information about the strengths and weaknesses of the submission.
- Reviewers are responsible for providing suggestions on how to make the manuscript more relevant, readable and complete.
- Information obtained through evaluation of the manuscript is confidential.
- Reviewers are obliged to treat the author with respect. They do not evaluate the manuscript if they have a conflict of interest resulting from cooperating or other relationship that they have with the author(s) of the assessed manuscript.
- Reviewers have to inform the editor, resp. the Editorial Board about any relevant information that might be a reason to reject publication of the manuscript.
- Reviewers must maintain the confidentiality of the review process – cannot disclose information from the reviewed paper. The manuscript must not be shown to or discussed with other experts as authorized by the editor.

III. Editors

- The Editorial Board is responsible for providing guidelines to authors for preparing and submitting their manuscripts.
- The Editorial Board should treat all authors with fairness, objectivity, courtesy and transparency.
- It ensures objective evaluation of the manuscript on the basis of its academic qualities.
- The Board is responsible for making editorial decisions and communicating them in a clear and transparent manner.
- It is responsible to establish a system for effective and rapid peer review (double-blind review).
- The Editorial Board must disclose any conflicts of interest. They are responsible for establishing and defining policies on conflicts of interests for all involved in the publication process including editors, staff, reviewers and authors.
- The Editorial Board is responsible for informing the authors that their submission will be evaluated according to the journal's standard procedures and should clearly communicate all other editorial policies and standards.
- The Editorial Board has a right to refuse the article that does not meet the requirements of publishing ethics.

Name of the publication:
Central European Journal of Labour Law and Personnel Management

Managing Editor: Ladislav Mura

Authors:

Year: 2019
Volume 2. / No. 2
The Journal is published twice a year.
This number was published in December 2019.

Publisher: Labour Law Association (LLA) - Asociácia pracovného práva. Editorial Office of Central European Journal of Labour Law and Personnel Management J.G.Tajovského 13, 917 08 Trnava, Slovakia, European Union. IČO: 42 294 614 . http://www.laborlaw.sk/

Graphic preparation: GF KNIVES s.r.o.

ISSN 2644-4542 (online), ISSN 2644-4917 (print)

DOI 10.33382

Price: 25,- €