

# Trends and Tendencies in the Field of Improving the HR-Systems of Hungarian Public Universities

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## *Abstract*

*In recent years it has become accepted that, besides traditional success factors, human resource management (HRM/HR) plays an increasingly important role in organizational success and in retaining and improving domestic and international competitiveness (Gordon-Whitchurch, 2007). In the countries of the developed world – especially in the case of anglo-saxon “pioneers” – the public sphere (including universities) has left the normative “bureaucratic-administrative Taylorian” system, that is based on formal regulation, far behind (Farkas et al, 2003). These efforts provided models and experience that were applicable in the transforming countries of Europe, including Hungary. In view of the above, we intended to make a non-exhaustive overview – based on the sources of literature and the practices of 11 Hungarian universities – of the change of the situation of HR and the possibilities of its modernization in this field.*

**Keywords:** *higher education, Hungary, New Public Management, HRM, knowledge*

## **1 Some characteristics of Hungarian higher education**

It is often professed in connection with the recent series of reforms concerning higher education that Hungary has a place among the educated European nations and that we build a knowledge-based society. What constitutes ground today in Hungary for building these aspirations that represent major challenge? Towards a better understanding of the operating conditions of our educational system we provide a short overview of the current situation of Hungarian higher education.

Our system of higher education includes both university and college education. Requirements of entrance involve finishing the four-year (in special forms of training the six- or eight-year combined primary and) high school education. Nowadays about 397 thousand students attend 71 institutions of higher education in Hungary. From the 71 institutions 31 are public schools, 26 are faith-based schools and 14 are foundation schools. Although at first glance these numbers indicate that in Hungarian higher education public universities are outweighed by other types of schools, this is far from the truth. If we take a look at the number of students attending public institutions it becomes apparent that public higher education is dominant: according to the official statistics 2007 of the Hungarian Ministry of Education and Culture (OKM, 2007) nearly 86% of students attend public institutions. With regard to the distribution, 60% are full time students and 40% attend night schools or take part in correspondence training or distance learning. Nearly 7,000 students attend doctoral courses and more than 11,000 foreigners learn in our country. The almost 400 thousand students included in Hungarian higher education are “served” by approximately 50 thousand people. The number of full-time teachers is roughly 22 thousand and almost 1,000 researchers and 28 thousand staff employees work in these institutions. 7,000 is the number of qualified lecturers, 5,000 of them also having a PhD or DLA degree.

In public schools there is no need to pay tuition fee. However, it is possible for those students who, due to number limits, didn't succeed in obtaining state-supported places of education to attend university within fee-charging training forms. In higher semesters the system assures permeability between the two possibilities depending on grade point average. In case of some special education programs and private institutions tuition fee has to be paid for education.

In 1999 Hungary signed the Bologna Declaration thus undertaking the obligation to join the European Higher Education Area and introduce and education system of several cycles. Replacing the former college and university education, from 2006 these institutions will launch only the new bachelor, master and doctoral courses. Besides, higher level vocational education and training are also part of the system. By this time 46 European countries have participated in this process.

Despite the fact that the main goal of the Bologna Process (introduction and application of the credit system, comparable degrees, quality assurance, etc.) has been to enhance the mobility of students and teachers thus creating a competitive Europe, mass application of foreign students to Hungarian institutions has not been a tendency, nor has the interest of Hungarian students in foreign studies jumped. Based on our personal experience, it can be observed that the interest between the teachers of the Hungarian and foreign institutions is mutual but this manifests rather in form of scholarships, field trips, projects or invitations.

After “opening” the gates in higher education in the 1990s the number of institutions, degree programs and state-supported places of education has increased significantly. The institutions could count on the number of students (with regard

both to the admitted students and the applicants) constantly increasing till 2005 but since this year there has been a moderate decline.

Students can choose from several hundreds of degree programs when applying to higher education. The supply of qualifications, the names of programs change from year to year. The interest of students and the rank of success professions can be seen from the following table.

**Distribution of students according to ISCED<sup>1</sup> areas in Hungary (2007)**

**Exhibit 1**

Field	Proportion of students
Economics and management	25,74%
Engineering sciences	13,62%
Teacher training, education science	10,21%
Public health, social care	9,08%
Social sciences	8,53%
Services	8,37%
Humanities	7,93%
Law	4,85%
IT	4,10%
Natural sciences	3,06%
Agriculture, veterinary science	2,69%
Arts	1,82%

**Source:** Own edition based on the official statistics 2007 of the Hungarian Ministry of Education and Culture

However, in the coming years we have to face the dramatic decrease in the number of students in higher education. The main underlying cause is the demographic downturn.

Besides their educational programs, institutions of higher education, especially universities, have to host some basic scientific and research activities as well. The performance of Hungarian higher education is rather hectic. This is appropriately demonstrated by the two rankings below:

- On one hand, based on the number of citations, which is one of the measures used for appreciating performance and which is being compiled by the Thomson Institute for Scientific Information about the six thousand most often cited researchers, Hungary does well: we rank 24<sup>th</sup> on the country list of most often cited researchers.
- On the other hand, if we glean the international list of universities, we can't find a Hungarian institution among the top 100 neither in the world, nor even in Europe. In the top 500 there are merely three Hungarian universities (Budapest University of

<sup>1</sup> ISCED (1997): International Standard Classification of Education. Unesco, Paris.

Technology and Economics, University of Budapest, University of Szeged).

It is a difficult task to provide the HR conditions in higher education at a sufficiently high level in order to meet all these requirements. On the next pages we are going to present the characteristics, strengths and failures of this field based on own literature research and the results of a conducted survey including 11 Hungarian institutions of higher education.

## **2 Changes in the goals and characteristics of universities from HR's point of view**

It can surely be stated that universities, as institutions, are guardians and keepers of significant traditions. However, it is just as obvious that the goals and characteristics of universities have been showing a significant change nowadays.

The university:

- ❑ is involved in "mass production" and *elite education* (MA and PhD programs) in higher education,
- ❑ has to respond, on one hand, to the *social* needs for *higher education* (the students apply to that institution and to that degree program which they like), on the other hand, to the needs of the economy, the *labor market* (the output of the university should flexibly adapt to the demand on the labor market),
- ❑ possesses *decade-old routines* and standards on how to prepare graduates, what knowledge they have to obtain, the *labor market* (see BA programs) in turn requires practical knowledge,
- ❑ is a *place of research* that follows its own inner professional-scientific directions while the economy expects practicable research *results, answers, solutions* from university research workshop,
- ❑ is a budgetary institution thus depending on state decisions but at the same time this is not enough in itself to cover its expenses, the university has to enter new markets (fee-charging trainings, adult education, additionally tenders, counseling, company orders) as well,
- ❑ a conservative-hierarchical institution preserving its autonomy that has at the same time manage, operate rationally and efficiently, also has to appear on competitive markets,
- ❑ itself appears on an increasingly escalating competitive market of higher education while, based on its routines, its goal is not necessarily to win the competition and it doesn't advocate selection,
- ❑ has its internal state made contradictory by the conflict between the organizational interest and the personal strategies of the staff – fundamentally based on individual interest assertion; in these cases the individual interests often prove more powerful,

- interferes with the requirements of modernization, rational organizational operation, flexible and performance-oriented HR due to the stability and inflexibility of the *public servant status*.

**The changes in the organizational-operational characteristics of a university in Hungary**

**Exhibit 2**

<b>Operational characteristics of university</b>	
<b>Traditional</b>	<b>New</b>
<ul style="list-style-type: none"> <li>• elite education</li> <li>• higher education</li> <li>• decade-old routines</li> <li>• budgetary institution</li> <li>• hierarchical organization</li> <li>• organizational interest</li> <li>• public servant status</li> </ul>	<ul style="list-style-type: none"> <li>• mass production</li> <li>• labor market needs</li> <li>• practicable knowledge</li> <li>• increase of own revenues</li> <li>• flexible reaction</li> <li>• individual interest assertion</li> <li>• performance orientation</li> </ul>

Despite the existing regional differences, the improvement of the hard (selection, performance evaluation, remuneration, etc.) and soft (workplace-family relation, motivation and career management) elements of HR systems in institutions of higher education has become important in different parts of the world (Gordon-Whitchurch, 2007). We have seen that universities have to operate in an increasingly complex environment nowadays. This new situation requires new HR solutions (Gibbons et al., 1994). In particular it present a significantly enormous challenge that nowadays young teachers tend not to consider the university to be a lifelong, “first and only” workplace.

**3 The examination of some university HR functions**

Our research, mentioned at the beginning of this study, was basically a kind of benchmarking. This examination analyses “how the organizations tested do what the others also do” (Evans, 1977).

During our work we conducted interviews with the competent people (HR experts, teachers dealing with this subject and university managers) of eleven (11) Hungarian institutions of higher education. We studied more than 100 different literature sources during our research. Moreover, the composition of our workgroup is aimed to discover the issues in connection with the HR-activity of Hungarian universities as much as possible.

## The Hungarian institutions of higher education included in the survey

Exhibit 3

№	University
1	Budapest Polytechnical College
2	Corvinus University of Budapest
3	University of Debrecen
4	Eötvös Loránd University, Budapest
5	Szent István University, Gödöllő
6	Széchenyi István University, Győr
7	University of Miskolc
8	University of West-Hungary, Sopron
9	University of Pécs
10	University of Szeged
11	University of Pannonia, Veszprém

The HR activity of institutions of higher education is realized not in an empty space therefore in this connection there are a number of factors that should be taken into consideration:

- The organizational culture of the University is fundamentally *based on decentralization* but is in turn traditionally *hierarchical*. Lately it has come more and more into the foreground to operate in an economically more rational and more cost efficient way.
- As a consequence of integration several institutions have come into existence that concentrate large number of students and these need up-to-date management system, including up-to-date HR.
- Budget-based control system is characteristic of Hungarian state-owned institutions of higher education, nowadays the business/economic type model can be found only in embryonic phase. The business/economic type model attempts to adopt business logic, performance orientation is its important element. The main function of HR in this model is to take active part in the implementation of the organizational strategy.
- The real estate portfolios of public institutions of higher education are not only in poor condition but are also comminuted and operate inefficiently. In past years the renovation and transformation of buildings could not follow the needs arising from either the change in the educational structure or the notable increase in the number of students due to the lack of the necessary resources and the appropriate conditions.

### 3.1 HR strategy

Human resource strategy can basically be defined as *to what extent we can harmonize company strategy and human resources* at organizational/ institutional level. (Karoliny et al, 2005).

Institutional strategic directions are significantly determined by the *individualized environment* of teachers/personalities and the personal connections between them. Due to their specific attitude of mind, they still consider the university to be a close system and they react slowly to changes. This community usually finds the evolution approach more acceptable than the revolution one.

The implementation of the institutional strategy depends on to what extent the management is able to persuade and get interested the autonomous teachers to reach common goals. Teachers, researchers should be involved not only in the implementation but also in the development of strategy through bringing out and making use of their ideas, creativity and initiations. We think that the role of a well-functioning university HR can be crucial in this.

The decrease in the role of state in financing universities also enhances the entrepreneurial strategy of the institution. (Barakonyi, 2003). Depending on to what extent the institution applies *knowledge management* tools it can gain hidden competitiveness, can possess a portfolio of potentials that makes it capable of not merely adapting to the changes of its environment. With knowledge management, project based organization of work, proactive strategy the institution can go ahead on changes.

The institutional development plans of the Hungarian higher education institutions included in the survey deal with the role of HR strategy in very different ways and degrees of specification but according to our examination we can point out the following:

- ❑ Most of the institutions *consider* HR to be *of strategic importance*.
- ❑ It is specifically emphasized in several plans that this *function* can highly contribute to the renewal of institutional strategy.
- ❑ In the case of some institutions the *strategic goals of HR* set out orally *are not followed by real action*, there is no real strategic HR planning, actually they merely plan the bare numbers.
- ❑ As a negative example we have to mention that sometimes institutional *strategic goals* are in fact *replaced* by – misinterpreted – *competitive strategy goals* of smaller workplace groups.
- ❑ We have found a higher education institution where the hybrid role of HR was emphasized. In the field of personality development this institution applies the *partner, advisor* role of HR. On the other hand, by the traditional HR functions (personnel and labor administration) they prefer the servicing characteristics.
- ❑ At Hungarian universities the so-called soft methods (e.g. cafeteria, harmonizing family and workplace, etc.) tend to gain ground besides the hard HR tools.

### ***3.2 The composition of labor force, labor force planning***

During the planning process the management identifies the changes in the strategic direction and financial conditions of the organization and in the modes of activity and integrates these into the decisions regarding the human resources.

With regard to staff and personnel planning and assurance we consider it important to point out the following based on our experience gained at the Hungarian higher education institutions examined.

- The examined higher education institutions can be classified into two major groups with regard to the increase in the number of staff:
  - The first group is composed by the old big universities where the number of staff has evolved and stabilized through organic development in the past decades.
  - The new institutions in the sample are at a stage (growth phase on the life cycle curve) of organizational development where they need a significant number of new and valuable employees and in order to obtain the teachers and researcher who are important for them, they apply specific, we can say innovatory recruitment methods (guest teachers, commission of qualified practical professionals, PhD students).
- In order to manage the existing staff efficiently, numerous institutions pay special attention to the teachers to meet the contact hour requirements (average 12 hours per capita).
- We have experienced at several institutions that if they exceed the number of staff allowed by budget, necessary labor force can be assured only by financing it from own revenue.
- Certain institutions emphasized that in staff planning and management – taking Hungarian specialties into account – they try to converge towards foreign norms.
- Based on the opinion of the institutions included in the survey it can be stated that they always consider the number of serving staff over planned.

### ***3.3 Job and competence planning***

The job and competence planning that meets the requirements of our age has strategic importance in managing the human resources of organizations. (Poór, 2006).

With regard to job and competence planning we consider it important to point out the following based on our experience gained at the Hungarian higher education institutions examined.

- According to legal provisions all the institutions examined apply job descriptions. According to the provisions, the form of the applied job

descriptions is rather task oriented: unfortunately they do not follow the requirements of today to be responsibility and result oriented.

- In connection with job and competency planning every higher education institutions said that the basis of this task is the system of employment requirements.
- Certain universities distinguish between the different *job positions* within the usual groups of jobs.

On the whole, it is not at all a coincidence that this function – similarly to labor force planning – has not been established completely at most universities. Earlier it has not been necessary, there has been no market pressure similar for example to that which generated use of more demanding, more professional, more efficient solutions in the field of HR in the competitive sector. As a result, we can assume that the professional background and competence (there are exceptions) required are not provided.

### **3.4 Selection, recruitment**

*It is a basic question in connection with HR strategy whether educational units should employ a person who is most appropriate for them or is the best professional they can obtain?* Ideally these two are the same person but this is a rare case (if we assume that most departments and institutes have resource limits and that change is inevitable).

With regard to selection and recruitment we consider it important to point out the following based on our experience gained at the Hungarian higher education institutions examined.

- The labor market of teachers is less mobile and the careers within are rather unidirectional. Typical supply is made up of young recent graduates (PhD students). Within a few years these youngsters either succeed, find their places at the university and they stay or they go away. Some of the more experienced teachers will be seduced by the competitive sphere or a (e.g. foreign) university or place of research. Unfortunately, inflow is not typical in this age group.
- Non-teachers are actors on the same labor market as others (in the same profession, region). Theoretically, the same HR techniques should be applied here as on the competitive market. The level of this highly depends on the establishment and professionalism the given HR group.

### **3.5 Performance evaluation (PE) in Hungarian higher education**

We consider the evaluation processes to be the most important part of the PE system. The main steps of the process are: determination and settlement of performance objective for a given period, examination of objective realization, evaluation of realization or default, consequent remuneration (change),

and implementation of further training or change. People responsible for the process: mentors, unit managers, employers.

With regard to performance evaluation we have gained the following experience at the Hungarian higher education institutions examined:

- ❑ At more than two-thirds of the companies examined PE system has not been applied so far.
- ❑ In the case of some institutions we observed that at certain faculties different types of PE systems are applied for teachers.
- ❑ There are two institutions where PE system is extended to everybody.
- ❑ Certain faculties of other institutions have been planning for some time to introduce such a system but it is not easy to decide to take this step. According to some opinions, PE systems shall only be introduced if *there are well-defined organizational goals*.
- ❑ Student evaluation on teachers is applied at several institutions examined in performance evaluation of teachers. However, other institutions think that this is not too wise.
- ❑ Practical feedback in general obviously shows that it is difficult to evaluate (and exactly qualify) performance in this field – just like in the whole public sphere. This has no tradition, there are no developed, accepted, adaptable practical models, solutions (although many attempts have been made to create these).
- ❑ The participants of the workshop mentioned above think that PE can be useful but this HR method can not be introduced without proper flexibility. At the same time they draw attention to the fact that possible and/or real success and, simultaneously, the satisfaction of employees are not primarily qualified by the number of questions and the exactness of data *but by the process and method of implementation and the fact that concerned people should feel the real result, value and purpose of the feedback after measurement* (Conference, 2008).

### **3.6 Personnel development**

*This activity is a continuous set of activities that means organizational learning with the purpose of making the individual capable of changing his/her own behavior depending on the organizational strategy.*

It is a basic contradiction in itself that while the application of a personnel development plan (and department and group) is natural in the case of a bigger company, at universities, that are considered to be knowledge centers – although knowledge, continuous and intensive development is vital to them – , it hardly appears as a central HR function. If there is one, it appears on a faculty level, or *rather individual than organizational*. At several institutions we have met the training practice – aimed at supporting the fulfillment of the strategic goal – in which the faculty or the institution helps teachers to take part in language courses

in order to obtain adequately high command of language that is a requirement of launching foreign language courses.

### **3.7 Career and succession planning**

*Career ways associated to certain positions, the possibilities of supporting career ways and the career management plans describing these methods are determined within the mentioned HR function.*

With regard to career and succession planning we have gained the following experience at the Hungarian higher education institutions examined:

- Certain interviewed universities have already been preparing for *teacher-researcher mobility* with regard to their own employees and the researchers-teachers and managers applying or arriving from abroad.
- It is a basic element, cornerstone of career and performance management that there is no *conscious career management system* at any of the interviewed Hungarian higher education institutions.

### **3.8 Remuneration**

*The basic task here is to develop an incentive system that motivates all the different employees to fulfill organizational goals.*

The university as higher education institution and knowledge center on one hand can not apply hierarchical-forcing, disciplining-threatening instruments against the most important group, the teachers and researchers this means that it can use almost exclusively positive motivational tools. On the other hand, organizational performance depends basically on the performance of the own human resources so this means that organizational interest can only be realized with identified employees. This is a rather small room to maneuver because the instruments are considerably limited given the budgetary and financing limits described above.

Other important features of university incentive systems:

- Due partly to budgetary characteristics, application of tariff systems determined by law and the lack of performance evaluation mentioned above, remuneration systems are primarily *based on fix salaries*, elements of *moving salary* can be found more rarely or rather *by a narrower range of employees*.
- It is typical that according to our survey none of the examined higher education institutions applies e.g. remuneration systems completed by job evaluation. At the same time at some universities salaries vary on a larger scale than the official salary tariff, within a fix-salary dominated system mentioned above. This can primarily be observed where performance evaluation system is working and the given faculty or institution possesses a relatively good own budgetary, revenue position.

- At the same time it is an important element of the motivation system that it tries to reach the identification of employees basically through the *content of work* (professionally interesting and challenging working that gives success, possibility of field trips abroad), *working time schedule* (applying free, flexible working time systems that ensure proper harmonization of individual and job tasks and degree of freedom), *job security* (public servant status, tenures) and the quick possibility of *promotion* (obtaining higher university qualification).
- However, in the case of those who have become stable employees of the university, the mentioned identification is considered more or less automatic. *Internal satisfaction and loyalty surveys* or application of internal marketing tools (there are exceptions) take place rather rarely and superficially.
- In turn, it is an important new development that an increasing number of institutions support salaries with different *components of remuneration* and extended to a wider range (in terms of both the scope of people and the elements applied).

### **3.9 Labor relations**

According to our experience, labor relations are sound, however not intensive enough within institutions. The higher education labor union is an active player in national reconciliations, the organizations of participation (board of public servants) operate within institutions, collective agreements are applied. However, apparently the union is not able to generate *more extensive, specific* activity (and gain awareness, acknowledgement, support).

### **3.10 Support of HR information technology**

Our experience gained at different higher education institutions with regard to the applied IT support can be summarized as follows:

- ❑ There is no existing integrated Human Resource Information System (HRIS) at the higher education institutions examined.
- ❑ An older or the newest version of pay and labor administration program of Nexon Company is applied at most higher education institutions surveyed. Some of the institutions use other payroll and labor administration program besides that of Nexon's, for example ORGWARE. Personnel administration is done with the software on Nexon.
- ❑ There are some Hungarian higher education institutions where labor registration and payroll calculation is connected into the framework of the nationwide spread Integrated University Information System.

We have found only one institution surveyed that applies the payroll and labor administration module of SAP.

### **3.11 HR organization**

The HR subsystem operates in different forms at the universities examined:

- *Two-arm solutions.* One case of these usual solutions is when two organizations deal with HR tasks within the university.
  - The Personnel Department operates under the Office of the University President under the direction of the University President or the Secretary General. Personnel departments are most often managed by the head of department. We found two universities where this field is managed by the director – director of Human Politics and Quality Management at one and the director of Human Politics at the other.
  - The number of staff at personnel departments/groups is very different. We found some higher education institution where this department is rather small, only 1,5-2 people (!) work there. At other institutions even 10 people are employed in this field.
  - The payroll and personnel department or the personnel department works under the Directorate General for Economic and Technical Affairs at every higher education institutions examined. The size of these departments is very different (6-40 people).
  - The most usual case is when personnel and labor professionals are placed only at central units of universities. At some higher education institutions there are HR experts in every – even in geographically separated or decentralized – units besides personnel reporters.
- *One-arm solutions:* That variation is also typical when there is only one organization at university dealing with HR issues. We can find a set of solutions within. According to one of them, HR is equal to Payroll and labor organization. In another institution HR covers personnel and labor activity.

### **4 Current pitfalls, obstacles and possibilities of efficient and up-to-date HR activity**

During our survey we could identify several factors that fundamentally influence the quality and judgment of HR activity at university. The identified factors can at the same time be pitfalls and obstacles and releasing them can result in making an institution competitive: this means that they provide the possibility for the institution to renew. According to our opinion these can be described in 7 points:

- First, legally pursuant to the Higher Education Act new appointments are of indefinite duration in case of every teaching position. This assures relatively great teaching freedom, professional autonomy and, not least, secure job.

- Second, emerging competition has disintegrated the *system of colleagues*; teachers within the official hierarchy tend to individualize due to the strict requirements. This can not be eased even by the practice of cross teaching between the different faculties and programs; this has a rather economic – internal settlement – character.
- In the citadels of knowledge, we can find activity oriented organizational culture symbolized with a Greek church. This organizational culture focuses on the role, position, activity in the organization, pillars are embodied by the faculties and the tympanum is the higher management (university senate, directorate of economic affairs, university president, and secretary general). The Higher Education The continuity and safety of operation are assured by regulations and the retention of ceremonies and the responsibility of decisions dissolve on the shield of the community, body.
- Third, the most recent change in the Higher Education Act generates following changes, namely full time teachers with academic degree can be accredited in only one institution by regarding budgetary subsidies and operational conditions. The competition, the battle has begun to win over or to retain colleagues with great authority, outstanding prestige and as a consequence, certain institutions may be placed at a notable advantage, others at a same disadvantage – both financially and by launching, maintaining programmes.
- Fourth, in favor of taking the first steps of more efficient learning-teaching it would be desirable to teach students at different faculties to learn in groups, to cooperate and think together, to develop them and form culture. Thus competencies can be created and applied, emotional intelligence, learning abilities, the skill to transfer knowledge can be increased not only for students but also for teachers. However, practical implementation requires the change in teachers' approach, the acceptance from students and finally the assurance of infrastructural background (Bencsik – Dernóczy, 2007).
- Fifth, in everyday life higher education institutions should meet a number of conditions to operate in knowledge oriented way that have not been provided yet and the question is when and how we will be able to establish them. Certainly, emphasis is primarily on "willingness". University leaders have to understand that knowledge management is the token of competitiveness not only in the productive and service sectors operating under market conditions but also on the market of higher education.
- Sixth, higher education is a system of institutions that does not work for itself. Similarly to other economic actors, it has business roles and social functions. It plays a significant role in the development of its environment, transmits culture and has the task to assure valuable and competitive professionals for the labor market.

- Last but not least, education has become a highly marketable, valuable and much called commodity. Every Hungarian higher education institution has to find its place on this market by choosing an own segment where it can act confidently and possesses competitive advantages. This requires strategic choice/change of direction whereby the institutional management – especially one of the most important groups of actors, the HR management – plays an important role and it is essential to establish operation as a learning organization and to put forward teamwork.

## 5 Conclusions

In the following, we present an exhibit of a possible development action plan summarizing the present average level of development of the different fields of HR and the most useful “Good Practice” in the case of Hungarian higher education institutions according to our experience.

### Possible development actions

Exhibit 4

No	HR functions	Typical level in institutions examined					Examples of Good Practice
		1	2	3	4	5	
1	HR strategy			●			Common HR strategy
2	Labor force planning		●				Action oriented personnel planning
3	Selection-recruitment			●			Variagation, Selection Board, new selection techniques
4	PE		●				Combined assesment
5	Personnel development			●			Internal HR development (eg.management training, etc.)
6	Career and succession planning		●				Promotion system for teachers, researchers and non-teachers
7	Remuneration			●			Shift towards flexible solutions, job evaluation
8	HR administration			●			Coordinated system development, SAP, intrauniversity solutions
9	Organizational model			●			Strategic level HR organization
10	HR role		●				Exceeding administrative role eg. CH and consultancy

To sum up everything, we think that HR is a possible but so far (at present) not sufficiently applied tool and field of university modernization. However, in order to realize this (except those institutions where this has already been implemented) we consider the following essential.

- It should be recognized and acknowledged at different levels of management that HR can provide useful and efficient professional support, tools and advice to solve management tasks.
- This requires the development of appropriate HR strategies that are integrated into the institutional development plans.

- It is reasonable to examine – with the assistance of experts – more extensively the application possibility of the tools of NPM, competitive sphere.
- This requires a reinforced, prepared HR apparatus that can get itself accepted with its preparedness and set of advice in a knowledge intensive environment.
- It can be an important function of HR to develop a new consensus between the organizational and individual interests and actors that incorporates knowledge management and competition, identification with the institution and institutional conditions and goals, the importance of performance on one hand and the more intensive management of performance (career), the definite connection of institutional and individual interests on the other hand.

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