

# HUMAN CAPITAL MANAGEMENT AT CZECH SCHOOLS

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## Abstract

There is no doubt that school workers (including teaching and non-teaching staff) are the most valuable source of any school because their actual abilities, motivation and results determine desired results of schools. The goal of the paper is to define the organization of human capital management at Czech primary and secondary schools and propose an optimal approach of school leaders (headmasters, deputy headmasters and other school managers) to managing school workers. Achieving the goal of the paper is based on the analysis of available scientific literature and the results of the authors' questionnaire survey on the organization of human capital management at Czech primary and secondary schools. The survey was conducted during the winter and summer semester 2017-18. The respondents were headmasters, deputy headmasters and other managers of Czech primary and secondary schools. The relevant data were obtained from 150 respondents. The data analysis was based on the calculation of relative frequencies and the evaluation of the dependence of responses using contingency tables and chi-square tests of independence. The findings support the assumption that anyone who leads others in the school should be involved in human capital management and participate in various human capital management activities.

**Key words:** human capital management, school management, Czech Republic

**JEL Code:** J24, M12

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## Introduction

Human capital management refers to various practices related to the development of an organization's human capital that represents the sum of knowledge, skills and abilities that people working in the organization have and use when performing their job tasks leading to the achievement of organization's goals (Kucharcikova & Miciak, 2018). The available results of the research on the value of human capital and the importance of human capital management for organizational performance show that people represent a critical source of any organization (Laskowska & Danska-Borsiak, 2016) and many researchers have demonstrated the positive impact of various practices in human capital management on

workers' abilities, motivation and results and so on organizations' results (e.g., Jacobson & Sowa, 2015; Lin, Wang, Wang, & Jaw, 2017; Ost, 2014). Human capital management is usually ensured by line managers, who are responsible for managing and leading other workers to successfully perform agreed work, achieve desired performance and meet expected goals of the organization. The successful fulfilment of this task differentiates successful and unsuccessful organizations. (Kucharcikova & Miciak, 2018)

The fundamental conclusions about the value of human capital and the importance of human capital management for organizational performance can be also applied to human capital management in primary and secondary schools that provide primary and secondary education and play an important role in the society (Bohlmark, Gronqvist, & Vlachos, 2016). There is no doubt that headmasters, deputy headmasters and other managers, who want to achieve excellent performance of their schools, must pay special attention to management and leadership of all workers (including teaching and non-teaching staff) because their abilities, motivation and results determine desired results of schools, especially the quality of education that is important for all stakeholders, including workers, students, parents, community, government, etc. (Huang, 2011).

Because of the importance of workers' abilities, motivation and results, the necessity for schools to implement an effective system of human capital management is increasingly acknowledged (Runhaar, 2017). Application of an effective system of human capital management in a school should be based on a conceptual approach, including an analysis of the strengths, weaknesses, opportunities, and threats, a definition of strategic objectives, policies and practices of human capital management, a plan for the implementation of human capital management policies and practices, or an evaluation of the system of human capital management (Grenčíková & Špánková, 2016). The main task is to create conditions in which workers will be striving for high standards of performance and development of their knowledge, skills and abilities (Litsareva, 2015).

The modern concept of human capital management implies that management and leadership of workers to achieve expected results is a fundamental responsibility of all managers in the organization (Fedorova, 2016). In primary and secondary schools, there are mainly headmasters who are competent and responsible for managing and leading other workers (including teaching and non-teaching staff) to achieve expected results of primary and secondary schools, especially expected quality of primary and secondary education (Egic, Tasic, & Sajfert, 2010). However, human capital management should to be the most important activity of all school leaders (Brauckmann & Schwarz, 2015).

## **1 Goal and method**

The goal of the paper is to define the organization of human capital management at Czech primary and secondary schools and propose an optimal approach of school leaders (headmasters, deputy headmasters and other school managers) to managing school workers.

Achieving the goal of the paper is based on the analysis of available scientific literature and the results of the authors' questionnaire survey on the organization of human capital management at Czech primary and secondary schools.

The authors' questionnaire survey verified the theoretical assumptions about the organization of human capital management and examined the views of headmasters, deputy headmasters and other managers of Czech primary and secondary schools. The goal was to analyse the typical organization of human capital management at Czech primary and secondary schools, define particular categories of managers in Czech primary and secondary schools involved in human capital management and specify their competencies in human capital management.

The authors' questionnaire survey was conducted during the winter and summer semester 2017-18. The respondents were headmasters, deputy headmasters and other managers of Czech primary and secondary schools who study Education Management at the Department of Andragogy and Educational Management of the Faculty of Education of the Charles University in Prague. The relevant data were obtained from 150 respondents.

The questionnaire included six multiple choice questions focused on 1) the value of workers and the role of human capital management in school management, 2) critical competencies of the headmaster, 3) overall approach to human capital management at the school, 4) perceived strengths, weaknesses, opportunities, and threats of the school, 5) results achieved at the school through human capital management, and 6) the organization of human capital management at the school. The relevant data were obtained from 104 primary schools and 46 secondary schools.

The respondents were characterized by gender (22% male, 78% female) and by function (26% headmasters, 33% deputy headmasters, 41% other managers).

The data analysis was based on the calculation of relative frequencies (as a share from the total number of respondents) and the evaluation of the dependence of responses on gender (male and female respondents) and function (headmasters and other managers) using contingency tables and chi-square tests of independence.

## 2 Results of the authors' questionnaire survey

Workers are usually valued as the most important source of any organization and according to the authors' survey results, all respondents agreed that workers (including teaching and non-teaching staff) are the most valuable source of any school. In this context, 87% of respondents agreed that human capital management plays a critical role in school management. According to the respondents, the efficient use of workers' knowledge, skills and abilities to achieve expected school's results requires an effective system of human capital management in the school. The data analysis showed no significant difference between headmasters and other managers regarding their perception of the role of human capital management in school management ( $p > 0.05$ ). We tested the null hypothesis that there is no difference between headmasters and other managers regarding their perception of the role of human capital management in school management (tab. 1).

**Tab. 1: Contingency table. Question: “Do you agree that human capital management plays a critical role in school management?”**

	Yes	No	$\Sigma$
Head masters	32 (34.32)	7 (4.68)	39
Other managers	100 (97.68)	11 (13.32)	111
$\Sigma$	132	18	150

$H_0$ : There is no difference between headmasters and other managers regarding their perception of the role of human capital management in school management.  
 $H_A$ : There is a difference between headmasters and other managers regarding their perception of the role of human capital management in school management.

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Level of significance ( $\alpha$ ): 0.05  
 Chi square statistic ( $\chi^2$ ): 1.766  
 Degrees of Freedom (f): 1  
 Critical chi-square value ( $\chi^2_{0,05}$ ): 3.841

Source: authors

Since the test statistics was lower than the critical value we failed to reject the null hypothesis in favour of the alternative hypothesis. In other words, there was no difference between headmasters and other managers regarding their perception of the role of human capital management in school management.

It is obvious that applied system of human capital management affect the ability of any school to achieve expected school's results through achieving desired workers' results. According to the authors' survey results, 94% of respondents agreed that they regularly analyse the strengths, weaknesses, opportunities, and threats of their schools, 95% of respondents agreed they define strategic objectives, policies and practices of human capital management at their schools, 91% respondents agreed that they plan the implementation of

human capital management policies and practices at their schools, and 97% of respondents agreed that they evaluate the system of human capital management at their schools. This conceptual approach to human capital management helps to achieve desired results of human capital management in the school. According to the authors' survey results (tab. 2), respondents strongly agreed, agreed, disagreed, or strongly disagreed that the applied system of human capital management help them to achieve defined results of human capital management in the school, including necessary number and structure of workers, required knowledge and skills of workers, expected satisfaction and motivation of workers, desired results and behaviour of workers, friendly working relationship, sufficient number of students, or overall satisfaction of parents and other stakeholders.

**Tab. 2: Results achieved at schools through human capital management (%)**

	Strongly agreed	Agreed	Disagreed	Strongly disagreed
Necessary number and structure of workers	41	53	3	2
Required knowledge and skills of workers	27	65	7	2
Expected satisfaction and motivation of workers	25	69	4	2
Desired results and behaviour of workers	25	66	7	2
Friendly working relationship	31	55	13	0
Sufficient number of students	29	47	22	3
Overall satisfaction of parents and other stakeholders	37	61	3	0

Source: authors

Respondents were also asked about perceived strengths, weaknesses, opportunities, and threats related to the internal and external conditions of their schools that also influence the system of human capital management. According to the respondents: the significant strengths include the stable teaching staff (59%) or the willingness of the teaching staff to work beyond the obligations (54%); the significant weaknesses include the low qualification of the teaching staff (28%) or the unwillingness of the teaching staff to further education (32%); the significant opportunities include the effective collaboration with the founder (60%) or the opportunity to obtain grants (37%); the significant threats include the constantly changing legislation (50%) or the decrease in the number of students (39%). Many of these strengths, weaknesses, opportunities, and threats can be affected by the effective human capital management.

The modern concept of human capital management implies that anyone who leads others in the organization must solve many complex and various personnel problems within his or her day-to-day work. In this context, the respondents were asked about the significance of given competencies of the headmaster. According to the respondents the critical competencies of the headmaster include managerial competencies (the ability to manage others), personal competencies (the ability to manage yourself), or professional competencies (the ability to manage the school). The data analysis showed no significant difference between headmasters and other managers regarding their perception of the importance of managerial competencies of the headmaster ( $p > 0.05$ ). We tested the null hypothesis that there is no difference between headmasters and other managers regarding their perception of the importance of managerial competencies of the headmaster (tab. 3).

**Tab. 3: Contingency table. Question: “Do you agree that managerial competencies are critical competencies of the headmaster?”**

	Yes	No	$\Sigma$
Head masters	27 (30.42)	12 (8.58)	39
Other managers	90 (86.58)	21 (24.42)	111
$\Sigma$	117	33	150

$H_0$ : There is no difference between headmasters and other managers regarding their perception of the importance of managerial competencies of the headmaster.  
 $H_A$ : There is a difference between headmasters and other managers regarding their perception of the importance of managerial competencies of the headmaster.

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Level of significance ( $\alpha$ ): 0.05  
 Chi square statistic ( $\chi^2$ ): 2.362  
 Degrees of Freedom (f): 1  
 Critical chi-square value ( $\chi^2_{0.05}$ ): 3.841

Source: authors

Since the test statistics was lower than the critical value we failed to reject the null hypothesis in favour of the alternative hypothesis. In other words, there was no difference between headmasters and other managers regarding their perception of the importance of managerial competencies of the headmaster.

It is obvious that the main responsibility for human capital management in primary and secondary schools belongs to headmasters, but the authors' survey results support the research assumption that human capital management in primary and secondary schools is the responsibility of all school managers, not only the headmaster.

According to the authors' survey results (tab. 4), the responsibility for human capital management in primary and secondary schools belongs to headmaster, as well as to other school managers, including deputy headmasters, head teachers, heads of school clubs and

school canteens, educational consultants, school psychologists, treasurers, or school caretakers. All these managers are involved in human capital management and participate in various human capital management activities related to planning, selection, appraisal, compensation, training or care of workers.

**Tab. 4: Responsibility for human capital management at schools (%)**

	Headmaster	Deputy headmaster	Other managers
Worker planning	38	37	26
Worker selection	38	32	30
Worker appraisal	36	35	29
Worker compensation	41	35	24
Worker training	39	35	26
Worker care	37	34	29

Source: authors

### 3 Implications and recommendations

A school that wants to achieve excellent performance must ensure that workers achieve desired performance and use efficiently and effectively their knowledge, skills and abilities to achieve the success of the school. In other words, the school must pay particular attention to human capital management practices that enable to achieve expected school performance by achieving desired worker performance.

Among proven practices in human capital management that demonstrably enable to influence worker performance belong practices in worker selection (selecting workers paying attention to their personal characteristics), performance management (achieving expected performance of the school by achieving desired performance of workers), worker compensation (applying fair monetary and non-monetary compensation system to employ capable and motivated workers) or worker training (apply systematic training to teach workers to perform their jobs and prepare them for changes of their job). These practices can help headmasters, deputy headmasters and other school managers to deal with the performance challenges and change the style of human capital management in their schools.

In human capital management, there are useful practices that positively influence worker and organizational performance, but their successful application requires effective fit to specific external and internal conditions of schools that determine the positive effect of applied practices in human capital management on achieved worker and organizational performance.

To succeed in leading other workers, headmasters, deputy headmasters and other school managers need to develop critical competencies, including managerial competencies (the ability to manage others), personal competencies (the ability to manage yourself), or professional competencies (the ability to manage the school).

## **Conclusion**

The authors' survey results include answers of 150 headmasters, deputy headmasters and other managers of Czech primary and secondary schools focused on the organization of human capital management at Czech primary and secondary schools. Although the current authors' survey results do not allow authors to draw general conclusions (due to the specific focus on Czech primary and secondary schools as well as the relatively low number of respondents), they confirm main findings of earlier studies related to the value of human capital and the importance of human capital management for organizational performance.

The authors' survey results support the research assumption that the responsibility for human capital management in primary and secondary schools belongs not only to headmasters, but also to other school managers, including deputy headmasters, head teachers, heads of school clubs and school canteens, educational consultants, school psychologists, treasurers, or school caretakers. Anyone who leads others in primary and secondary schools should be involved in human capital management and participate in various human capital management activities related to planning, selection, appraisal, compensation, training or care of workers. These activities enable school managers to employ and develop enough capable and motivated workers and achieve expected results of schools.

The authors' survey is unique by its focused on the approach to human capital management at primary and secondary schools. Similar surveys are quite rare. The current authors' survey results are worth attention from all school managers responsible for leading other workers and they open up new possibilities for further research in the field of human capital management and leading teaching and non-teaching staff of primary and secondary schools.

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