

ABSORBING POWER OF THE SSC SECTOR'S WORKFORCE

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ABSTRACT

This conceptual paper delineated the task of television advertising in children's consumer. Increased graduate output is a determinative phenomenon in developed countries. Based on world tendencies it can be predictable that the role of highly qualified and foreign language speaking labour force has increased. Worldwide in many countries business service centres have expanding employment role. Their first recruitment target group is young graduates. This young generation could become the most important target of global companies because this generation is able to adapt to changes and they are really sensitive for new organizational cultures. Performance orientation and flexibility are typical for Y generation on the labour market. They are considered as "tech geeks" who are really opened to innovations. In this research we analysed job search attitudes with the participation of students in higher education. During the job search preference analysis we examined the considered factors in employment by the young generation. Based on the literature it is observed that job-seekers do not decide mainly on income to accept or decline a job. Their decision is also affected by the company's features (like employer brand, company size, promotion possibilities). We also analysed the career possibilities for young graduates at business service centres.

Keywords: job search, human resources, shared service centre, Y generation

INTRODUCTION

Nowadays increasing labour shortage is probably the most important cause of company problems. Number of graduates is growing year by year on global labour market, but because of structural problems this growth can not satisfy labour demand on global markets. Activity organizing into Shared Service Center (SSC) is a typical firm organizational solution of multinational companies. According to *Hinek (2009)* in order to ensure rational company operation one activity or service can be outsource from parent company with applying SSC or to hire a company specialised in outsourcing. This research of Hinek reflected that outsourcing is not only a strategic decision rather technical, financial, strategic, tactical, and political factors are important as well. Cost reduction is also a crucial element of this issue. International Service Centers are mostly owned by North-American or Western-European large enterprises. They operate Business Service Centers (BSC) and Shared Service Centers (SSC) mainly in Eastern-

Europe and in the Far East. Young graduates are the target group of these service centers (*Fodor, 2015*). Based on domestic experiences the primal target group of service sector is Y generation therefore service providers worth to pay attention to them. *Filius (2015)* said that the difference among generations is that Y generation express their demands and expectations more courageously, furthermore their professional development and career path are not only a domestic issue any more: they want to be present on international level. According to *Berta's (2015)* view, domestic services are important because from 2010 more employees are working in tertiary sector. Based on the Hungarian Central Statistical Office data service sector employment is outstanding compare to other sectors: in 2014 tertiary sector employment was 1520,8% higher than primer sector and 363,1% higher than secondary sector. Business service companies have significant role in the service sector: in 2015 almost 100 enterprises operated in Hungary and they employed approximately 37 000 people. Most of the investment projects are related to this sector therefore this is the second biggest job provider area.

Analyzing other countries of the region (Poland, Czech Republic, Romania, Slovakia) it can be said that most of these countries' larger rural cities and towns are considered as an investment alternative, but unfortunately this is not true for Hungary (*Marciniak, 2014*). It is likely that this factor has an important rule in this sector development in Hungary.

Because of the problems mentioned above, our goal is to analyse job search preference of some students in a rural higher education institution. We also analysed service centers visibility on employment aspect.

2 MATERIALS AND METHOD

In order to accomplish our research we used secondary and primary methods. Secondary data and information comes from the related reviewed literature. Concerning primary information we used a survey from the quantitative methods. The survey was send and filled by online and it was created by an international research team (Middle Eastern European university researchers from 4 countries and 10 universities). Our university participated in the fulfilment of the survey as well. Mostly closed questions were used. This paper contains the results of the institutional survey database. The project was started with the questionnaire of students participating in higher education in 2015. The number of received and valuable questionnaire was 108. MS Excel and SPSS 20.0 were used to evaluate these 108 questionnaires. Depending on the type of

the questions we used univariate statistics and crosstabs. Relation between two or more variables and combined frequency distribution were analysed. During crosstab analysis Pearson's chi-square test were used in order to establish statistical relations between variables. Significance results were accepted under 5%. To measure association we used Cramer contingency coefficient.

3 RESULTS

3.1 Employment aspects

In this research we analysed employment preference among university students. Most of the consulted students plan to start working right after graduation. Only 25% of the responders think that employment and job search start during studies is very important. Early job seeking is slightly important for 10,4% and 18,8% does not deal with this question at all.

Early job search awareness is more typical for BA/BSc students and it is less important for MA/MSc students. 12,5% of BA/BSc students and only 5,2% of MA/MSc students deal a lot with employment questions. The explanation could be that most of MA/MSc students have already a job during their studies. 4,2% of students in higher vocational training do not care about employment issues at all, but at the same time also 4,2% are very experienced about it. During our research significant difference was identified in labour market behaviour of Y generation age groups. It means that concerning the importance of work start within Y generation, older students are more conscious compare to younger students ($P=2,4\%$ and $C=0,24$).

Responders planned to start working – because of age specificity - in different time (Figure 1). 50% of the responders would like to start working in one year but 39,8% of them are already working. We have to mention that among students there is an uncertain segment and they have not yet decided when they will enter into the labour market. This uncertainty could come from the linear education system causing a late labour market entrance. On the other hand the reason could be the lack of labour market vision as well.

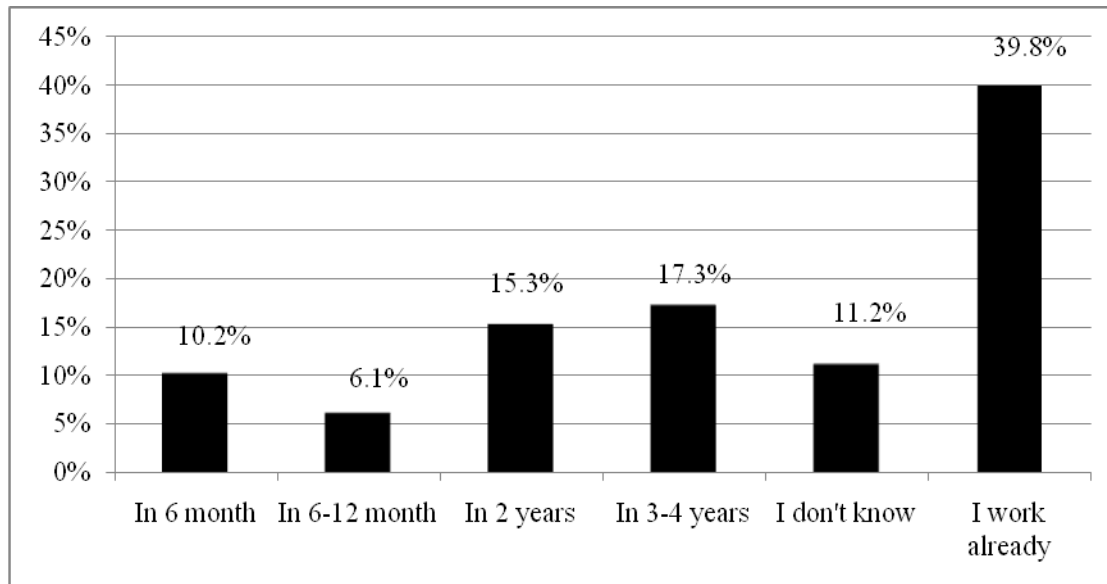


Figure 1: Planned labour market entrance (own data)

69,8% of the consulted knows well the biggest Hungarian employers and 30,2% do not have information from domestic operated companies. Relationship between awareness and age groups were medium ($P=3,4\%$ and $C=0,3$).

More than half of the responders (60,2%) would work in the private sector while 34,7% interested in the public sector. Non-profit sector is much less attractive for students.

75,8% do not have a special selected employer where they intend to work. From them 48,4% would work in private sector and 26,3% in public sector but they do not have a concrete concept. 18,8% know exactly which organization they would like to work for.

3.2 Decision preference of choosing workplace

Modern employers use more tools in order to get the competitive employees. Employee decision is affected by numerous factors and company type was analysed first. Responders would work at startups at least, 39,2% would work at their own business and for 36,5% family business is important but they do not exclude working at international companies (31,6%). Table 1.contains detailed data.

Table 1: Employment in private sector (own data)

Private sector	Not at all	Less	Maybe	I would like	Very much
Local small company	10,3 %	8,2 %	34,1 %	23,7 %	23,7 %
International large company	8,2 %	9,2 %	26,5 %	24,5 %	31,6 %
Start-up	13,3 %	16,3 %	38,8 %	19,4 %	12,2 %
Own business	12,4 %	11,3 %	19,6 %	17,5 %	39,2 %
Family business	15,6 %	9,4 %	15,6 %	22,9 %	36,5 %

We analysed workplace choice factors from motivational aspects as well. Questions were asked about employer’s location, organization culture, career opportunities and wages. Table 2 shows these results.

Table 2: Expectations about the selected workplace (%) – (own data)

Workplace	Not important at all	Less important	Medium	Important	Very important
Reputation	6,1	4,1	35,7	32,7	21,4
Products/services	2	2	25,5	37,8	32,7

Company size	7,1	14,3	41,8	26,5	10,2
Trainee program	8,2	7,1	25,5	35,7	23,5
Career possibilities	2	1	9,2	33,7	54,1
Friends/family feedback	7,2	3,1	32	26,8	30,9
Travel possibilities	7,2	6,2	28,9	30,9	26,8
High salary	1	3,1	13,3	30,6	52
Geographical closeness	6,1	8,2	20,4	33,7	31,6
Training, development	1	1	11,2	42,9	43,9
Working environment	0	1	3,1	19,4	76,5
Workload	0	0	7,2	23,7	69,1
Working hours	4,2	6,3	28,1	35,4	26

Most of the consulted students considered these criteria from medium important to very important. Company ranking is influenced by working environment, workload, career opportunities, high salary, training and development opportunities: According to 59,1% (on average) these are the key requirements. Besides products and services, trainee program, working hours (shift working time or working time frame), geographical closeness, travel opportunities are also important. Company size, reputation and friends/family feedback are medium important (average 36,5%).

50,5% of the students considered self-fulfilment as the most important when it comes to choosing position. 45,9% believe that financial benefits are an important expectation when they choose a job or a position. Fast professional development, opportunity of contribution to company success, variety of work, flexible working time and chance for reputation inside or outside of the company are important for students but these factors are less important when they look for a concrete position. Table 3 contains these results.

Table 3: Importance of criteria concerning accept a position (own data)

Importance of criteria	Not important at all	Less important	Medium	Important	Very important
Financial benefits	1 %	2 %	7,1 %	43,9 %	45,9 %
Self-fulfilment	0 %	0 %	9,3 %	40,2 %	50,5 %
Flexible working time	1 %	2 %	19,4 %	38,8 %	38,8 %
Fast professional development	0 %	1 %	15,3 %	49 %	34,7 %
Contribute to success	0 %	3,1 %	16,5 %	48,5 %	31,9 %
Get a reputation	5,1 %	8,2 %	27,6 %	35,7 %	22,4 %
Variety of work	1 %	2,1 %	21,1 %	44,2 %	31,6 %

The next question analysed the preferences of employment areas within service centers (Figure 3).

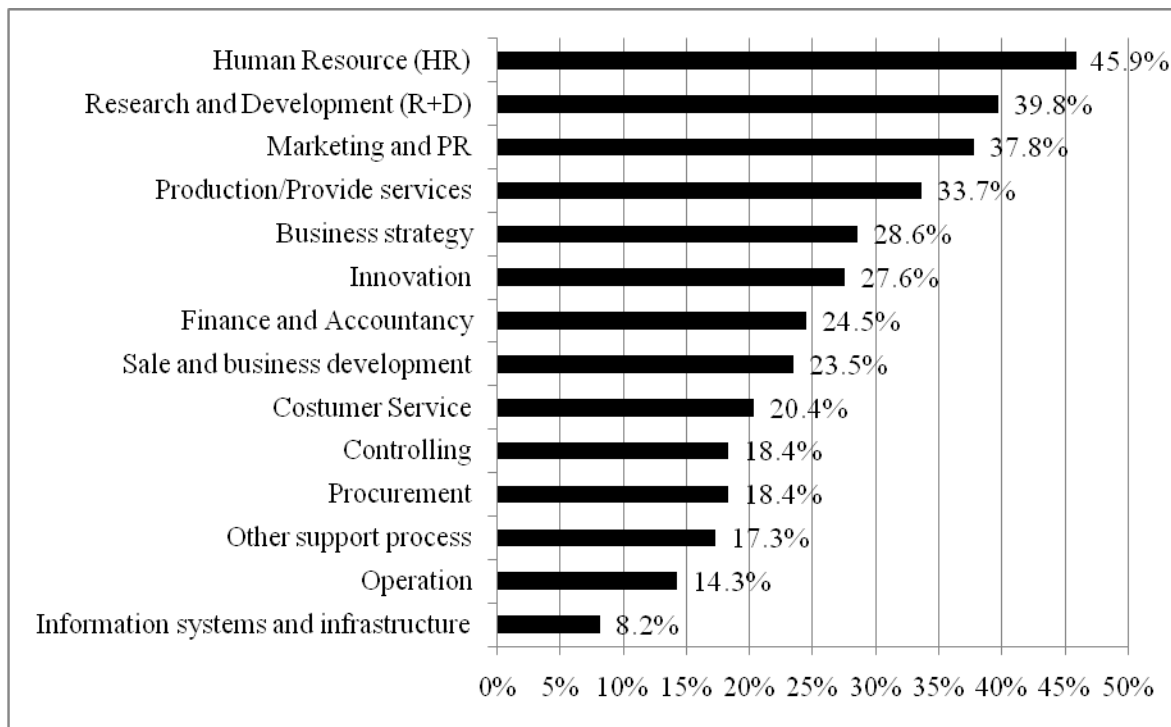


Figure 3: Preferences of employment areas (own data)

Almost half of the responders (45,9%) would kindly work on HR area, but R+D, marketing and production/services are also popular areas for them. On the average of 37,1% mentioned these areas.

Most of the students expect work development after 2-3 years: according to 49,5% after 2-3 years they will have a possibility for professional development and promotion. 13,7% would like to be promoted after the first year and 20% would anticipate vertical job development after 3-4 years. 16,8% would wait five or more years in order to get higher positions. The results are showed by Figure 4.

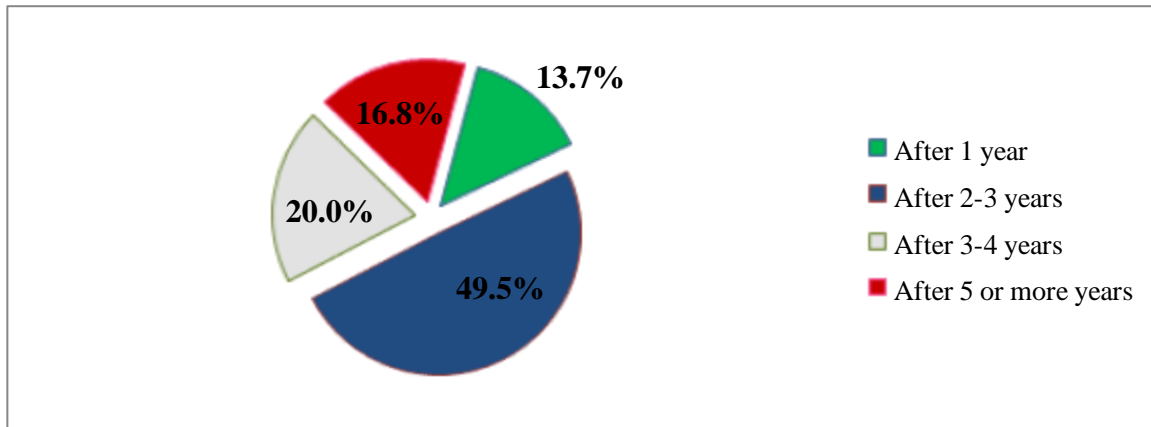


Figure 4: Expected promotion opportunities based on years spend at the workplace (own data)

3.3 Business Service Center attitudes

In this chapter we were dealing with questions about Call Center, SSC and Outsourcing Center. 74% of the students are aware of what Call Center really means, but the other two definitions were quite unknown for them. Approximately 25% heard about “outsourcing “and only 20,8% meet with the expression of SSC.

More than half of the responders believed that SSC is more or less the same as Call Center or Outsourcing Service Center. The opinion was rather the same about that SSC’s assignments are not similar to any workplace’s tasks. 54,5% believed that an Outsourcing Center is roughly the same as SSC. 23,8% thought that Call Center and SSC is a different job.

Basically most of the consultants (44,2%) have the same opinion about the importance of multilingual communication skills at SSC. According to 38,9% SSCs operates in modern office buildings and working hours are more than 8 hours (43%). Students other view was that working at SSC means monotonous work (48,4%), there is only a few promotion options (45,2%) and it has a high fluctuation rate (43%). Besides SSC offers higher salary than the average wage (45,3%), working atmosphere is modern and average age is low (42,1%), flexible forms of work is available (40,6%), working atmosphere is adequate for Y and Z generations (40,4%) and studies and qualifications are less important (38,9%).

4 DISCUSSION

Based on our results it can be said that the analysed target group is less interested in private sector as a career start opportunity. Their visions are the contrary of the literature and the analysed domestic labour market opportunities. SSC job opportunities are less attractive for the

responders therefore this could be an explanation of the numerous SSCs in the Hungarian capital city and rural cities have only a few Centers.

The target group of this research was the Y generation (age 20-25 and age 26-30), thus we mostly looked for relations among the answers of these age groups. 67,4% of the responders included these age groups therefore the results were mainly influenced by the opinion of Y generation.

It is observed that Y generation deal with employment questions and with work choice and between them there is a medium strength relationship. In order to get a job, employees need medium language skills at least. 83,7% of the responder students speak minimum one language on medium level which is a basic job requirement at SSCs.

Business Service Companies have a quite low visibility among rural university students because expressions like Call Center, SSC, and Outsourcing Business is mostly unknown for them. They either do not know the job possibilities that these Centers offer. University studies should contain these information in order to raise the popularity of these Centers.

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