

AGE DISCRIMINATION, RELEASE OF EMPLOYEES AND SUSTAINABLE LAW STRATEGY IN INDUSTRIAL ENTERPRISES

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Abstract

The implementation of new trends into industrial practice as well as the influence of various external and internal factors affects the operation of industrial enterprises and their performance. Industrial enterprises that have developed a sustainable human resource management strategy are able to resist negative impacts. A sustainable law strategy defines the range of options for the implementation of a sustainable human resources management strategy. A sustainable law strategy, as a base of business strategy is affecting other strategies in industrial enterprises and also it provides a framework for business sustainability as part of an ecosystem in sustainable corporate social responsibility strategy. The importance of the consistency of mentioned strategies is contained in the presented paper. Consistency of strategies ensures fair treatment of employees as a key internal factor in business success. It is important that employers treat their employees fairly, especially in the case of negative measures. The main aim of the paper is to present results of the research focused on identified discrimination and release of employees in industrial enterprises. The research sample consisted of $n = 692$ respondents composed of industrial enterprises employees. Among the significant results, the authors of the paper advise the finding, that a significant part of the respondents did not encounter age discrimination. The conclusion contains recommendations for the development of sustainable law strategy regarding to findings related to the release of employees and age discrimination.

Key words

Corporate social responsibility, sustainable law strategy, sustainable human resource management, industrial enterprise

INTRODUCTION AND THEORETICAL BACKGROUND

Many different negative and positive factors affect the functioning of enterprises and organizations. The above-mentioned factors may be from the external or internal enterprises environment. Internal factors are usually under control of the operation and efficient business management. External factors can be influenced only partially and indirectly by an enterprise. They are mostly determinant for an enterprise and its operating [1]. The impact of external factors may cause such an unfavourable situation in the existence of the enterprise that its management has to make certain regulatory measures which affect all stakeholders, especially employees. In some cases, in order to maintain the existence of the enterprise, the management of the enterprise must proceed to the release of the employees. With regard to the corporate social responsibility, it is important for the management [2 a 3] to approach these demanding tasks in such a way as to minimize negative impacts on employees and to avoid incorrect or discriminatory behaviour.

Human resources management covers a wide range of work areas focused on the employees. In addition to determination of the strategy, organizing of work, administrative, methodological and functional support for the “human resources management” (hereinafter “HRM”), it also manages labour relations, which also include labour-law and collective relations defined by the legislative framework. In order to have effective HRM it is important to have sustainable standards set within the enterprise, which points to the importance of a sustainable law strategy as a formal framework for other functional areas of corporate governance.

Based on the previous work and definitions of the standard [4], by setting into the environment of functional business strategies of industrial enterprises, [5] the authors of the paper define the term „sustainable law strategy“ (hereinafter „SLS“) as **valid regulation of sustainable behaviour or practices that lead to the implementation and protection of the „win-win“ results and the values of the industrial enterprise in the sense of *bonum supra legem* (good above the law) [6].** Taking into account and preferring the concept of „sustainable corporate social responsibility (hereinafter „SCSR“) it is necessary to include a win-win strategy as a condition of *sine qua non*. In these circumstances, authors of the paper can designate a functional corporate strategy of a law nature as SLS. the authors of the paper conclude the relationship between the SCSR and the SLS from the basic definition of SCSR, which characterizes the SCSR as “...**voluntary efforts of enterprises that go beyond the normal compliance framework. It is achieving social, environmental and economic objectives in daily activities of the enterprises**” [7]. The SCSR concept respects the basic economic, social and environmental pillars that in common harmony effectively achieve the aims of sustainability and sustainable development [8]. In this way there is a win on the side of human society (economic and social) as well as on the environmental and limited resources side. From the above mentioned, the authors of the paper conclude that if enterprise claims to be socially responsible and wants to implement it them, it tends to be SCSR. Due to the above-mentioned definition, SCSR is a key component of the company’s conduct beyond the regularly framework of legislation. In general, SCSR can be defined as **„set of a positive behaviours and practices beyond the form of standard, but on the other hand a suitable and welcome addition the content, thereby not only protecting the values, but also proactively promoting them and thus pointing to its timeliness and existence“** [6]. SLS can therefore be seen as a key functional business strategy, as it *„defines the rules of the game“*, internal

standards most often in the form of corporate codex in part and in complex, relying on global or national law requirements aimed at individual solutions of industrial enterprise comprehensive sustainable strategy. According to the authors of the paper opinion, incorrect and unsustainable law strategy (methodology) can negatively affect other functional strategies of the enterprise and also will cause the SCSR principle not to be fulfilled. SCSR has a positive impact on the employees, the enterprises' commitment to the SCSR encourage hard working and (optimal) risk taking of employees [9]. Due to the social area of sustainable corporate social responsibility is mainly for the practice of industrial enterprises important sustainable human resources management. Sustainable human resources management is an approach to human resources management that focuses on the fair treatment and care of employees [10]. The importance of sustainable human resources management is increasing [3]. Mentioned importance can be significant, especially for some overloaded and exposed employees [11].

The recent scientific work and knowledge has stabilized on the analysis and creation of sustainable working systems or exploring how to design working systems to develop and regenerate employees instead of using and exploiting them [12]. The result of mentioned approach of human resources management is pressure on employee performance, which may disadvantage certain groups of employees.

Despite the fact that European legislation prohibits discrimination based on age and the law provides a regulation for employers that is prohibiting such access, the result is not always sufficient. Several researches from the Slovak republic confirmed that age can be a burden for an employee, if it is a variable in the HR strategy in industrial enterprise. For example, according to a Eurobarometer survey on discrimination in October 2015 [13 a 14] it follows that in the respondents' opinion the most widespread form of discrimination in Slovakia is discrimination on the basis of the age of 55+ (up to 50 % of respondents). The conclusions from the international conference Towards and World for all ages from 2018, which was co-organized by the SAV were similar. Based on information from European Social Survey studies [15] the most common type of discrimination is the age discrimination. In this pan-European survey it was mentioned by 35 % of all participants over the age of 18 and in Slovakia the percentage is well above this percentage, while numbers are among the highest in the European Union. At present, however, the management of the enterprises in Slovakia and abroad has to cope with the aging workforce and the phenomenon of coexistence of several age or generation groups of employees [16].

On the basis of the above-mentioned assumptions and findings, the authors of the paper set out a research question defining a partial research problem: How do employees of industrial enterprises perceive discrimination in the job releasing? This partial research problem was included in the research carried out on the basis of quantitative research data analysis, including the problem of age discrimination in releasing of employees.

MATERIALS AND METHODS

The distribution of the constructed collection survey (research questionnaire) took place during the months February to May 2018. The research sample consisted of $n = 692$ employees of industrial enterprises operating in the territory of the Slovak republic. The authors of the paper have chosen the questionnaire form of data collection due to the facts that it is one of the most commonly used methods in quantitative research [17]. The research questionnaire was distributed in paper form directly to the respondents in industrial enterprises of all sizes in the Slovakia. The questionnaire was completely anonymous and the only identifies was the age of the respondent. The questionnaire contained 13 questions focusing on the reasons of job releasing, identifying of discrimination, the feeling of the released employees and their colleagues and the support provided to the released employees by employers. In this article

there are the authors of the paper focusing on perceived discrimination of employees, whose quantitative evaluation was processed through statistical analysis. Descriptive and quantitative statistical methods were used in order to evaluate the collected data. In the research were also used basic thought processes such as analysis, synthesis, abstraction, concretization, induction, deduction, analogy and comparison.

The research was carried out within the project VEGA 1/0348/17 with title „*The impact of the coexistence of different generations of employees on the sustainable performance of organisations* “. Moreover, the article is processed as part of Young Research Project No. 1335 "Examination of human resources management in multicultural industrial enterprises in order to enhance employee performance of different generation groups".

Also, this paper builds on the knowledge gained from the results of successfully completed project APVV no. LPP-0384-09: “HCS model concept of 3E vs. the concept of Corporate Social Responsibility (CSR)” and the project KEGA no. 037STU-4/2012: “Implementation of the subject “Sustainable corporate social responsibility” into the study program Industrial Management on the II. level of MTF STU Trnava”, to which it follows submitted project VEGA no. 1/0074/20 “System implications of Sustainable corporate social responsibility in functional strategies of strategic business units in the context with the “win-win” strategy”.

RESEARCH RESULTS

In total, 692 respondents have taken part in the research. The respondents were the employees of the industrial enterprises operating in the Slovak Republic. The research sample was selected by multi-stage sampling by conglomerate and unlikely quota sampling. In the Table 1 can be seen the distribution of respondents according to the respondents age group.

Table 1 Composition of respondents according to the age group (own elaboration, 2019)		
Age group	Absolute frequency	Relative frequency
18 - 25	155	22.39
26 - 35	248	35.84
36 - 45	144	20.81
46 - 55	108	15.61
56 - 65	37	5.35
Total	692	100.00

The table 1 shows that the largest group of respondents were employees with age between 26 and 35 (35.54 %), while the least numerous group was consisted of employees with age between 56-65 (5.35 %). The other three groups of employees were roughly similar.

The most important area of the article is the field of job releasing and age discrimination. The job releasing may be the results of a negative development of the enterprises or of external factors that are largely unaffected by the enterprise. However, redundancies may have law consequences for either a former employee or a former employer. It is therefore important that employers in particular have to avoid unethical or discriminatory behaviour. The table 2 shows the evaluation of respondents' answers to the question whether they have encountered age discrimination in the job releasing.

Table 2 Identifying age discrimination by employees of industrial enterprises (own elaboration, 2019)		
Answer to the question	Absolute frequency	Relative frequency
1 – yes, once	82	11.85
2 - yes, repeatedly	60	8.67
3 - no	414	59.83
4 – I do not know	136	19.65
Total	692	100.00

It is clear from the Table 2 that up to 20.52 % of respondents have encountered various types of discrimination during their working life. The authors of the paper positively rate that up to 59.83 % of respondents have not yet encountered discrimination. Up to 19.65 % of respondents did not answer or could not state that they had met or had not been discriminated at the workplace during their working life.

Another area of research was the personal experience of the respondents with the job releasing and the opinion on age discrimination in this process. The table 3 shows the baseline evaluation of the responses. The table 4 contains the detail analysis.

Table 3 Evaluation of the answers of released and not released employees (own elaboration, 2019)						
* Have you ever been a released employee? Have you ever encountered age discrimination in releasing employees?	Case Processing Summary					
	Valid		Missing		Total	
	N	Percent [%]	N	Percent [%]	N	Percent [%]
	550	79.5	142	20.5	692	100.00

Table 4 Differences in identifying a job releasing discrimination between released and never released employee (own elaboration, 2019)				
Have you ever encountered age discrimination in releasing employees?		Have you ever been a released employee?		Total
		released	never released	
yes, repeatedly	Count	36	22	58
	% within Have you ever been a released employee?	17.4%	6.4%	10.5%
yes, once	Count	43	39	82
	% within Have you ever been a released employee?	20.8%	11.4%	14.9%
no	Count	128	282	410
	% within Have you ever been a released employee?	61.8%	82.2%	74.5%
Total	Count	207	343	550
	% within Have you ever been a released employee?	100.0%	100.0%	100.0%

It is clear from the Table 3 that only 550 respondents answered both questions. Up to 142 respondents did not answer the question whether they had encountered age discrimination in

releasing employees and whether they had ever been in the position of released employee. The detail analysis can be seen in the Table 4.

The results in the cross table (Table 4) compare the response of released and not released employees with the experience of the age discrimination. Never released employees most often did not encounter age discrimination (282 respondents). On the other hand, only 6.4 % of not released employees have repeatedly encountered age discrimination. The authors of the paper rate this fact positively. The results for the group of released employees are worse than for the other group of respondents. In the group of released employees, only 128 respondents stated that they did not encounter age discrimination. Up to 36 respondents from the group of released employees responded that they had repeatedly encountered age discrimination.

The overall result of encountered age discrimination	Case Processing Summary					
	Valid		Missing		Total	
	N	Percent [%]	N	Percent [%]	N	Percent [%]
	556	80.35	162	19.65	692	100.00

The table 5 shows the evaluation of employees' answers whether they have encountered age discrimination in the job releasing. Up to 556 employees answered on the age discrimination question and only 162 of all respondents did not give an answer or answered, "I do not know". In order to better present results, the authors of the paper have created the Table 6 which shows the individual answers expressed in absolute and relative frequencies. Cross table (Table 6) shows respondents' experience of the job release (yes, repeatedly; yes, once; no) according to the age groups. Based on the results, it is possible to see which age group most frequently encountered discrimination in the job releasing.

Employee age groups who have been discriminated in job releasing	Have you ever encountered age discrimination in releasing employees?			Total	Percent [%]
	yes, repeatedly	yes, once	no		
up to 25 years	5	17	40	62	11.15
25 - 39	13	10	106	129	23.20
40 - 49	12	9	42	63	11.33
50 - 59	17	20	20	57	10.25
60 and more	6	15	12	33	05.94
job released employee (s) regardless of age	18	15	179	212	38.13
Total	71	86	399	556	100.00

It is clear from the Table 5 that the most frequent answer is that the released employees were of all ages. The second most frequent answer was that the released employees were between the ages of 25 and 39, most often thought by colleagues of released employees. Taking into account the numbers of total responses in identifying discrimination, the least numerous group which was released were respondents between age of 40 to 49. On the other hand, the respondents stated that they most often encountered discrimination in releasing between the age

of 50 to 59. On the basis of the results presented in the Table 4, it can be noted, that the perception of discrimination may be affected by the negative experience of released employee.

CONCLUSION

Presented research has yielded interesting results regarding discrimination in the job releasing. The authors of the paper consider as positive the fact, that the answers showed the age was not the reason for the release. A bit surprising is that the youngest employees perceived that their age was the reason for the release. It should be emphasized, that the results may have more emotional than law basis. So far, it is questionable whether the release was also the notice of employment termination according the law of the Slovak Republic. The truth is that the employees often sign the notice and therefore feel released. In reality, employment notice is a termination of the labour relation, based on an agreement, which is a bilateral legal act and whose validity is conditioned by the both parties' agreement (employer and employee). However, releasing employee is only possible for reasons defined by law, which cannot be the employee's age. What can be encountered is the preference of employers to release the employees with the shortest employee relation. Mentioned fact may be with high probability a causal line for the youngest employees. Regardless of the above, it is interesting to consider and clarify the performance criteria that the employee should fulfil. By failing to their fulfilment or only partial fulfilment, the potentially affected employee can identify, at the next announced releasing, if he may be considered as potential candidate to be released. This would enable him to prepare for the situation and for example, take part in outplacement programs. The setting of these criteria is the task for the SLS. Correctly determined, clearly defined and effectively communicated sustainable law strategy will define the framework for the sustainable corporate social responsibility and functional sustainable human resources management. It provides the assurance that the corporate management declares a commitment of social responsibility to employees and stakeholders. Employees are able to prove a higher commitment to the employer which brings benefits to all parties.

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