THE REASSESSMENT OF PERSONAL COMPETENCIES IN HUMAN RESOURCES MANAGEMENT AND IN BUSINESS-ORIENTED HIGHER EDUCATION

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Abstract

The timeliness of our topic is proved by the fact that nowadays human resources play an indispensable part in the resource system of economic organizations. Our paper examines the personal competencies that play a vital role in corporate efficiency, competitiveness and success. Moreover, we also illustrate how this role has been changing in time. One of the objectives was to create and test a competency structure tailored to the Hungarian labour market situation.

Key words: (personal) competencies, labour market, higher education.

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Introduction

The aspects of human psychology, motivation, performance, incentives, money and labour force are significant in economics. Lifelong learning, andragogy, further training and personality development training are stressed in retaining corporate competitiveness as well as in the paradigm of economics. In order to manage work and career successfully it is essential to possess the proper resources and competencies (ULRICH et al., 2009).

Sometimes far less money is spent on the conscious development of human resources that should be necessary although from the point of view of cost-profit ratio, investment in the human factor is always profitable and improving competencies can provide the company with competitive advantages. Adaptation to the constantly changing conditions can only be achieved by developing human resources (CADIN et al., 2012).

However, there is no unified definition for competencies yet. It always depends on the context or situation what we actually mean by this term. Moreover, competencies are job-related. Job competencies are such knowledge, skill and ability parts that play a central part in career management and which can be influenced by the individual (AKKERMANS et al., 2013).

BELLIER (1998) writes in his work that the first reference to competencies had been made in France and Spain between 1980 and 1990 in HR and vocational training. The Competent Manager by BOYATZIS (1982) is still a great treasury for competency profiles and examples in which the manager has a key role. According to Boyatzis job competency is an underlying characteristic of a person that leads to or causes superior or effective performance. Another useful resource is the book written by SPENCER – SPENCER (1993) 10 years later in which more than 1500 competency models can be found. As a result, competency profiles were born

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for certain positions, which could be quickly reviewed. The well-spread definition for competencies by Spencer and Spencer is the following: 'Competencies are underlying characteristic of an individual that is causally related to criterion referenced effective and/or superior performance in a job or situation' (SPENCER – SPENCER, 1993 9. p.).

In late 1997, the DeSeCo Project (the acronym of Definition and Selection of Competencies: Theoretical and Conceptual Foundations) was launched by the OECD with the aim of providing a sound conceptual framework to inform the identification of key competencies, to strengthen international assessments, and to help to define overarching goals for education systems and lifelong learning.

However, not all the authors supported competency models or the idea itself. Who were against it noted that it is difficult, expensive and time-consuming to use (HERZBERG, 2003). DALTON (1997) argues that competency models are a waste. He proposes that the two main flaws with current competency methods are the lack of future orientation and the means by which one could acquire these requisite future skills.

Higher education has a key role in transferring the competencies (CSISZÁRIK-KOCSIR – MEDVE, 2009). Along these lines LAZÁNYI (2012) uses the notion of competences as a starting point of future development, and something that is unchangeable throughout time. She endeavours to measure besides the expected level of competencies the perceived level of the very same set of skills among students in tertiary education (LAZÁNYI,2013), what is more, she emphasises the role of Higher Educational Institutions (HEI) in transferring and developing skills and competencies to their students (LAZÁNYI,2015).

Due to the volume and content limitations as well as the high number of competencies in our primary research we have selected one of the segments of personal competencies and the eight key competencies defined by one of the EU committees in 2006.

The role of the competencies has increased after the crisis, due to the change in the workplace safety (CSISZÁRIK-KOCSIR ET AL, 2012). Among others, we wish to highlight what key business competencies (can) enhance the success of employees and their competitiveness in the labour market and also what personality traits have a powerful impact on decision making mechanisms. An answer is also sought to the question of how competencies have been transformed, how their role was appreciated and re-evaluated and what skills and abilities are no longer necessary for success in the labour market vs. the ones that were not required previously but have become indispensable these days. One of the objectives was to create and test a competency structure tailored to the Hungarian labour market situation and specialties on the basis of the professional literature.

The present analysis contains mainly the correlation between corporate size/ownership/profile and (personal) competencies.

Material and method

We have chosen interviews as a method of primary research and standardized questionnaires were designed as an instrument. While processing questionnaires, a factor analysis as one of the bi-and multivariate methods was applied together with crosstab analysis, T-and F-trial and also variance analysis and Chi-square trial were used to explore the correlations statistically.

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Before the quantitative phase in 2014, qualitative research was also conducted as one of the objectives was to compile and validate an independent competency structure tailored to the situation and the special features of the Hungarian labour market based on the opinion of the members in the sample. A focus group examination was conducted on the basis of a semi structured interview guide where interviews took place in heterogeneous groups based on company size.

In the second phase while processing the quantitative data this pre-tested and finalized competency structure was analysed and their relations were explored by means of a factor analysis. When compiling the standardized questionnaire we strived to adjust questions to every level of measurement (nominal, ordinal, interval and ratio scale), which were open or closed questions. Altogether 1291 were returned of which 1264 could be assessed. The number of elements in the sample was 1264 (of which 519 employers, 435 full time students and 310 correspondent students), 389 were sent back electronically and 875 were paper-based.

Results

Evaluation of the questionnaire of full-time students

The socio-demographic characteristics of the sample

Based on the highest qualification students who graduated from secondary technical schools and grammar school or who finished a two-year specialist course in higher education dominate the sample. Most respondents study agriculture followed by students of Arts and Sciences, commerce, marketing and economics.

According to the 435 full-time students *good communication skills, IT and foreign language skills are necessary in most cases for a successful career.* ICT is followed by negotiation techniques closely attached to it and concentrating on speaking as well as self-knowledge as the only one personal competency. Interestingly, this is the only personal competency that appears in the list of key competencies, and immediately it went to the top.

The labour force of the future sees *the collateral of a successful career in being able to make use of the knowledge gained*. At present there is a need for adequate knowledge tailored to labour market requirements which can be used in practice, too. The *improvement of basic skills and competencies was also marked as a very important objective and requirement in a message to (higher) education institutions* as developing personality traits and personal competencies were stressed in the ranking. This justifies the fact that higher education institutions have a key role in imparting the best and updated knowledge to their students tailored to market challenges, trends and requirements in addition to adapting to professional concepts and scientific standards.

Students thought that *gaining new knowledge is also essential for success.* This also highlights the viability of concepts such as lifelong learning and lifewide learning (LLL and LWL).

We also wanted to know what students thought about the characteristics of an *ideal workplace*. According to the results the most important factors for future employees are good colleagues, team work, good atmosphere and opportunities for self-improvement. All this reflects a change in attitudes, i.e. instead of material incentives satisfying individual, personal needs and requirements are becoming more important.

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We were also curious to know the students' opinion about *shifts in stress within the domain of competencies*. In their opinion technical, economic and entrepreneurial skills, learning from mistakes and discretion are the competencies that were appreciated to the greatest extent in the last 5 years. Table 1 presents the results.

Table 1 Evaluation of competencies (skills and abilities) in the last 5 years (*in percentage*)

competency	appreciated	no change	depreciated
cooperation	30	33	37
persistency	38	27	35
learning from mistakes	60	12	28
reliability	40	30	30
motivation	35	28	37
preciseness	48	20	32
problem solving	35	14	51
self-improvement	26	14	60
flexibility	32	14	54
coping with stress	22	20	58
initiative	49	16	35
persuasion	50	8	42
loyalty	45	26	29
independence	35	19	46
sense of responsibility	42	22	36
taking risks	35	21	44
self-discipline	53	25	22
preciseness	44	25	31
organizational skills	45	12	43
hard working	49	25	26
endurance	21	15	64
patience	32	45	24
decision making	44	19	37
discretion	55	22	23
ability to learn	47	12	41
communication in a foreign language	20	8	72
IT skills	16	1	83
entrepreneurial skills	50	10	40
communication skills	33	5	62
EU basics	49	9	42
technical skills	57	8	35
economic skills	60	6	34
social awareness, empathy	41	41	18

Source: research in 2014, N= 435

According to the results above students stated that the skills and abilities inevitable to become a successful entrepreneur (flexibility, decision making, discretion, taking risks and endurance) should be developed predominantly by higher education. Reliability can be regarded as a little bit distinct from the group above emphasizing its special nature as trust and discretion are of vital importance for employers and employees alike.

During their current studies students mentioned that the development of *practical and theoretical competencies* still favoured the latter ones by 65% to 35%. In our opinion this should be changed as there is a need and call for implementing theoretical knowledge in the labour market.

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The *three competencies that should urgently be developed* are communication (46%), foreign language (36%) and mathematics/IT (9%). At the same time, interestingly they state that they are *the best at* communication and social skills. Because language as one of the means of communication is always being transformed even lexically in our mind the seemingly paradox statement above can be solved. According to the respondents in some cases it is of vital importance if the necessary competencies are improved by the higher education institution. This result obviously stresses the fact that the majority of the students suggest that the formal, institutional 'classical' form of studying is not necessary at all times as competencies can also be improved informally and not by a higher education institution. In parallel, respondents also named *individual project tasks* as the best way of developing the necessary competencies.

Evaluation of the questionnaire of correspondent students

The socio-demographic characteristics of the sample

For most members of the sample the purpose of current studies is self-improvement (37), promotion (30%) and 20 percent said they study in this area with the prospect of getting a job.

Most respondents had a college degree or a certificate in a profession. According to the branches of science of their highest qualification most students were engaged in technical-IT (20%) followed by economics (15%) and social sciences (10%).

Twenty-five percent were male and 75% female.

Regarding age most respondents were aged between 30 and 39.

On the basis of the current position 37% work as an office worker and 24% are intellectual workers.

The members work full time for the following company types: state-owned/local government (42%), foreign company (multinational) (19%), Hungarian private company (38%) and companies owned by the Church (1.5%).

Most of them work in education and pedagogy (20%) as well as commerce and marketing (12%).

Their companies have been present on the Hungarian market for fewer than 5 years (14%), 5-10 years (13%), more than 10 years (19%) or more than 20 years (55%).

Forty-nine percent live in cities, 19% in villages and 32% in the capital.

We also asked the correspondent students which competencies of the structure compiled *have the most important role in making a successful career*. According to the results of the sample of 310 members, communication skills and IT skills are the most decisive and also foreign languages, negotiation skills and self-knowledge were placed at the top.

As a separate question we were also curious to know their opinion about *the role certain competencies played when they were selected for their present job*. The most important skills mentioned were reliability, sense of responsibility, self-discipline and marked them as a reason for hiring. The result also reflects the reassessment of personal competencies which corresponds

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with the responses of full-time students and also with the ones of the employers later. Table 2 presents the results.

Table 2 Opinion about the role of competencies in hiring for the present position *(mean, where 1=not important at all, 5=the most important)*

competency	definition	mean
cooperation	works together with others to achieve a common goal	4.1
persistency	loyal and able to concentrate on the task for long	4.2
learning from mistakes	makes efforts to correct the mistakes	3.7
reliability	acts as instructed	4.7
motivation	enthusiastic, positive attitude to tasks	4.0
preciseness	performs quality work by deadline	4.5
problem solving	points out problems and tackles them	4.3
self-development	aware of strengths and weaknesses, consciously improves skills	3.6
flexibility	able to adapt to changing conditions	4.1
coping with stress	able to work under pressure	4.1
initiative	projects thoughts and ideas without asking	3.5
persuasion	introduces ideas and thoughts with logical arguments	4.1
loyalty	inspired by work, relates to organizational objectives and values	4.2
independence	able to work on their own	3.7
sense of responsibility	puts up with the consequences	4.7
taking risks	able to act with uncertainty	4.0
self-discipline	able to control feelings under stress	4.5
preciseness	able to work almost without any faults	4.3
organizational skills	able to coordinate working tasks	3.6
hard working	looks for new and extra challenges	4.1
endurance	makes and keeps up the required efforts	4.1
patience	able to manage certain situations calmly	3.5
decision making	evaluates and assesses different points of view unbiased	3.9
discretion	cautious	3.8
ability to learn	able and willing to do self-improvement	4.0

Source: research in 2014, N=310 standard deviation: 0.8-1.0

According to the correspondent students the collateral of a successful career lies in *implementing the knowledge gained and using the basic competencies*.

Students said it was typical of their present job and position that *they are required to gain new knowledge*, which stresses the importance of keeping up with the new and novel technologies and innovations in almost all positions nowadays.

A similar result was gained when prioritizing these competencies. Students were asked *which competencies they use predominantly at work.* The results are shown by Figure 1.

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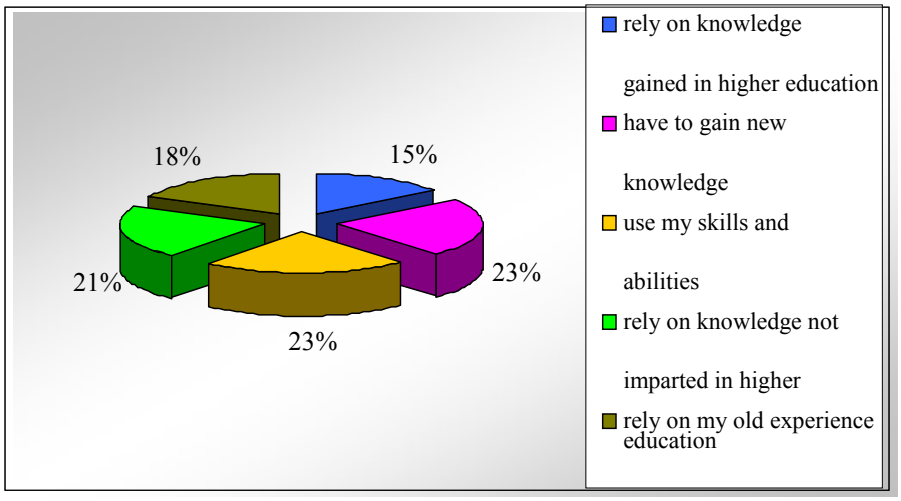

Figure 1 The share of competencies used in work experience *(average)*

Source: research in 2014. N=310 standard deviation: 0.7-1.0

We also asked the respondents *how a good workplace can be characterized*. Results reflect that mostly good colleagues and encouraging personal improvement are the most important factors that make a workplace attractive.

In terms of the *competency structure* it turned out that IT skills, self-development, coping with stress and communication are the skills that have been appreciated lately according to the members of the sample.

Results are presented by Table 3.

Table 3 Assessing the importance of competencies *(% relative frequency, more than one answer)*

competency	appreciated	no change	depreciated
cooperation	43	36	21
persistency	49	35	16
learning from mistakes	35	57	9
reliability	36	48	16
motivation	38	36	26
preciseness	33	55	12
problem solving	56	39	5
self-improvement	60	32	8
flexibility	56	34	10
coping with stress	66	21	13
initiative	30	54	16
persuasion	31	57	12
loyalty	24	46	30
independence	47	42	11
sense of responsibility	34	50	16
taking risks	33	45	22
self-discipline	31	54	15
preciseness	30	57	13
organizational skills	43	50	7
hard working	26	54	20
endurance	76	19	5
patience	28	47	25
decision making	40	50	10

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discretion	22	70	8
ability to learn	52	38	10
communication in a foreign language	67	28	5
IT skills	77	23	0
entrepreneurial skills	38	40	22
communication skills	60	34	6
EU basics	27	62	11
technical skills	26	62	18
economic skills	31	61	8
social awareness, empathy	24	33	43

Source: research in 2014. N=310

In addition to technical, economic and EU basics self-improvement and ability to study are the competencies developed by higher education. Labour market, however, requires coping with stress, cooperation and endurance.

A little gap between labour market requirement and competency development by higher education was also present here, which can be utilized in rethinking competency development at schools to show the shift in proportions and also the skills that have to be stressed in developing to meet the demands of the labour market.

In their present jobs the respondents mostly use communication and IT competencies. It is interesting to note that they were the strongest skills and the areas to be developed together with interpersonal, intercultural, social skills and foreign languages. Seemingly, it does not matter how strong these competencies are, they are in need of constant development.

The students make use of *31% of their theoretical knowledge* gained in their latest field of study in their present job.

Thirty-six percent of the respondents think it is an asset in all cases while 34% think it is an asset in some cases if competencies are developed with the help of the present higher education institution.

The most efficient way of competency development was project work and professional practice, too (Figure 2).

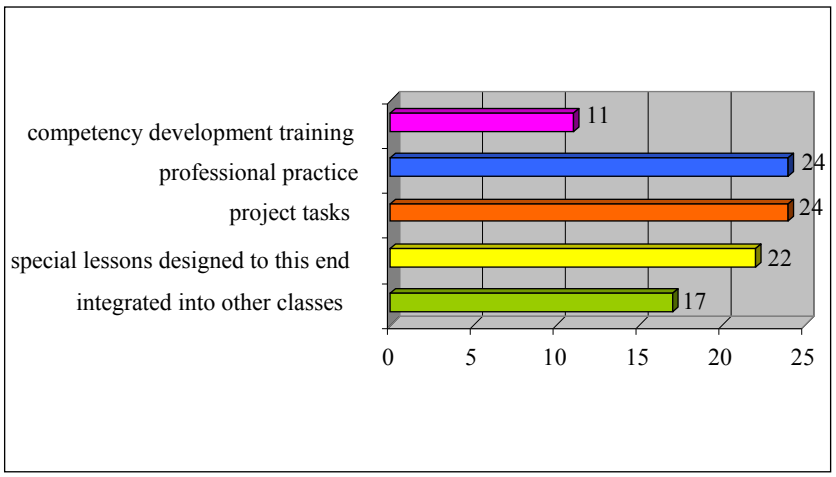

Figure 2 Ideas in connection with competency development
(% relative frequency, more than one answer)
Source: research in 2014. N=310

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Evaluation of the questionnaire of employers

The socio-demographic characteristics of the sample

Most companies in the sample have been operating for 5-10 years and companies working for more than 20 years represented the smallest portion. On the basis of industries most respondents were engaged in commerce and marketing. Forty-one percent of the companies were headquartered in Budapest or Pest county and with respect to the number of employees they had fewer than 10 staff.

Based on ownership Hungarian private companies made up the biggest portion as well as state-owned ones and those belonging to local governments. Companies in foreign hands had the smallest proportion (2%) and only one employer from the Church filled in the questionnaire.

One of the important objectives of our research was to examine the opinion of employers about *the role that single competencies play in a successful career*. The analysis was carried out on a 519-member sample. The results reflect that employers marked foreign language, good communication skills and IT skills are the most important. The significance of negotiation techniques and self-knowledge as the only one personal competency should not be neglected, either. They are followed by such key competencies as social and economic basics.

We were also interested to knowhow the significance of competencies has changed during the last 5 years. Responses are reflected by Table 4.

Table 4 Changes in the significance of competencies during the last 5 years *(percentage)*

competency	appreciated	no change	depreciated
cooperation	44	43	13
persistency	50	34	17
learning from mistakes	40	53	7
reliability	43	39	18
motivation	43	38	18
preciseness	38	46	15
problem solving	50	39	9
self-improvement	51	37	11
flexibility	51	40	9
coping with stress	48	28	23
initiative	32	49	19
persuasion	42	45	13
loyalty	30	47	23
independence	45	38	17
sense of responsibility	30	50	20
taking risks	30	44	26
self-discipline	22	57	21
preciseness	36	50	13
organizational skills	45	46	9
hard working	42	42	16
endurance	58	26	16
patience	22	51	26
decision making	30	47	22
discretion	34	53	13
ability to learn	52	32	16
communication in a foreign language	71	20	9
IT skills	69	28	3
entrepreneurial skills	42	48	10

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communication skills	50	45	5
EU basics	33	56	11
technical skills	33	49	18
economic skills	36	53	11
social awareness, empathy	23	42	35

Source: research in 2014. N= 519

According to the members of the sample endurance, flexibility, problem solving and self-improvement are the competencies that have been most appreciated. We also examined *what competencies are mostly developed* by employers. Results reflect that they are the so-called standard requirements, i.e. self-improvement, reliability, sense of responsibility and loyalty. They all belong to the group of personal competencies.

We also examined *the most important skills and abilities*. They were cooperation, reliability and technical skills. It is also supported by labour market requirement where nowadays we experience a great demand for engineers and employees with a technical background. Employers stress the necessity of working in a group, co-operating and working in a reliable way.

In addition to the prioritized competencies we also wanted to know what competencies and skills are regarded *not so important* by employers. In a very close competition EU basics were nominated together with IT skills under which, in our opinion, they mean programming skills at a more advanced level as nowadays informatics is a must. Social awareness and empathy is the tail ender, which is surprising as in our opinion this social competency is also of vital importance in our current multicultural background based on team work. The same was also stated by employers.

We also analysed the experts' opinion about *the role of competencies at work* (Figure 3) and also if *this role appreciates, does not change or depreciates in the future* (Figure 4). The majority stated that this role would appreciate in the future.

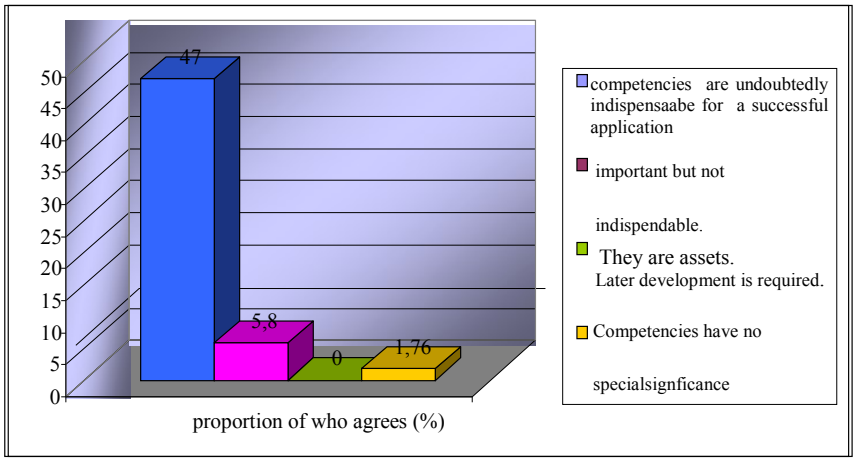

Figure 3 The importance of competencies for a successful application

Source: research in 2014. N= 519

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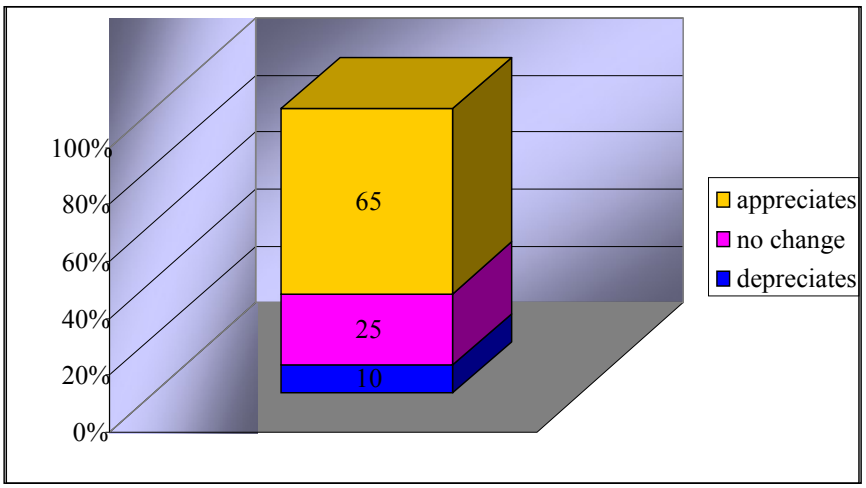
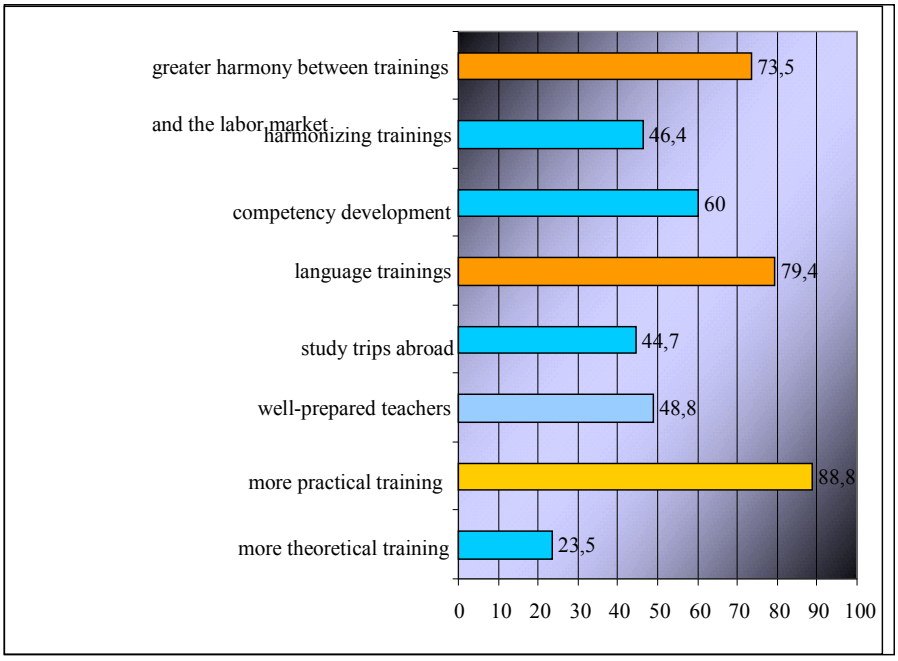


Figure 4 Evaluation of the future role of competencies (%)

Source: research in 2014. N= 519

We had another important objective, i.e. to get to know *which competencies employers think education should develop and what changes would be required*. Practical training and language competencies should be developed the most. A greater harmony between labour market requirements and knowledge imparted should also be considered. Figure 5 and 6 presents the results.



Source: research in 2014. N= 519

Employers say these changes require more practical trainings, competency development trainings and special classes.

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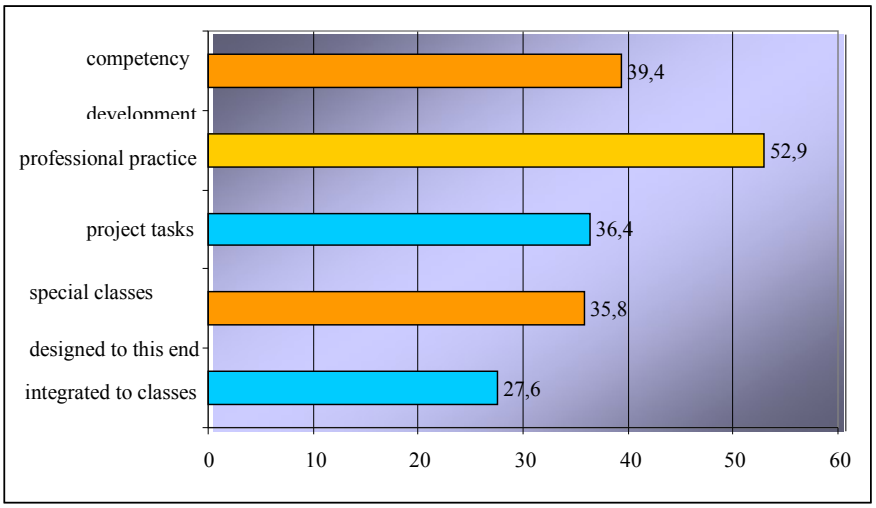

Figure 6 Evaluation of different forms of competency development
(in percentage, relative frequency, more than one answer)
Source: research in 2014. N= 519

Correlation examinations

Correlation examinations with corporate characteristics

We also analysed how differently certain competencies are evaluated with regards to the *ownership structure of the company.* Statistically proven correlation was not detected between the two variables examined in variance analysis (the level of significance was above 0.005).

The results of the correlation examination between the evaluation of competencies in career and *the number of employees* did not support a statistical correlation, either. The same result was gained when analysing the correlation between the *profile (industry*) of companies and the role of competencies in a career.

However, we supposed it would be worth examining the differences from a professional point of view. Endurance, for example, is highly recommended by foreign companies while problem solving and flexibility were preferred by local governments. In contrast, we can see that foreign languages are not preferred by them.

It seems generalists are welcome who are able to perform several tasks as local governments are not able to employ a specialist by every area in contrast with multinationals. As typically domestic relationships dominate, not surprisingly, language knowledge is not preferred so much.

Correlation examination with the socio-demographic characteristics of students

The following examinations were carried out between competencies and the characteristics of students (gender, age, form of program, type of training): crosstab analysis, T and F trial, correlation, significance and ANOVA examination.

ANOVA examination with Tukey trial was applied to assess the correlation between the 11 competencies necessary for a successful career and gender in the case of correspondent students

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where significance level is 0.05 as the sample was not representative. The highest significance level can be found between gender and self-knowledge. Technical skills and negotiation techniques are nearly on the same level. A correlation can also be seen between communication and IT skills but it is of low intensity. In the case of full-time students EU basics correlates with gender. Of the 11 competencies five have low results so we can conclude that the correlation between gender and competencies in the case of full-time students cannot be regarded decisive.

The correlation between age and competencies brought different results by significance level in the case of correspondent students. We can conclude that it is only in the case of economic knowledge that correlation exists. In the case of full-time students the relationship between competencies and age shows a greater difference than in the case of gender. The weakest correlation was found in terms of IT skills. Cultural skills and foreign language had strong correlation and so did economic skills and social awareness.

An examination was also carried out to analyse the correlation between type of trainings and competencies. Correspondent students could select more than one area in the questionnaire so data was recorded in several steps. ANOVA analysis could no longer be applied so, instead, multivariate analysis was carried out to assess data. Strong significance was detected between social skills, technical skills, negotiation skills and current studies. The weakest correlation was found in the case of communication competency and social awareness. To sum up, expressed strong correlation exists between competencies and the type of trainings in the case of correspondent students. Regarding full-time students also the correlation was strong between competencies and studies in most cases. The strongest correlation existed in social awareness, which almost reached 1.00. Correlation was also significant between communication and social skills and the type of trainings.

Grouping competencies: a factor analysis

In order to know what competencies are arranged in a group by the respondents, a factor analysis was carried out. The results of the different factor trials are illustrated by Table 5, 6 and 7.
We experienced that certain factors (competencies) moved together regardless the factor weight. It means that there is a strong cohesion between them so they are tightly linked by the employers. However, there were also some competencies that were grouped differently in diverse cases. They are rather instable not belonging to any of the groups tightly. Table 5 presents the rotated factor matrix of the three-factor trial.

Table 5 The rotated factor matrix of the three-factor trial

	Factor 1	Factor 2	Factor 3
negotiation techniques	0.798	-0.017	-0.085
communication skills	0.777	0.038	0.041
foreign language	0.569	0.253	0.207
self-knowledge	0.433	0.281	0.096
EU basics	0.413	0.280	0.315
technical skills	-0.213	0.858	-0.007
cultural skills	0.356	0.721	0.026
social basics	0.101	0.220	0.059
social awareness	-0.149	-0.026	0.842
IT skills	0.464	0.167	0.519
economic skills	0.463	0.125	0.479

Source: research in 2014. N=-519. Varimax method KMO=0.737; total variance=49.9%

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The table above shows that the first factor group, i.e. negotiation techniques, communication, foreign language and EU basics move together as multicultural attributes as all of them stress cultural curiosity and the importance of communication. Interestingly, self-knowledge is also part of this group. In our mind self-knowledge can be regarded as one of the cornerstones of communication and self-expression.
The second factor group consisted of technical, cultural and social skills as part of the eight key competencies of an EU committee stressing the important role of knowledge, skills and abilities.
The third factor group included social awareness, IT and economic skills of which the first two were not regarded so important by the employers. Similarly to IT skills, economic ones also have to be brushed up every day. At the same time, basic economic and IT skills are inevitable nowadays.
Table 6 provides information about the rotated factor matrix of the four-factor trial.

Table 6 The rotated factor matrix of the four-factor trial

	Factor 1	Factor 2	Factor 3	Factor 4
negotiation techniques	0.788	-0.081	-0.136	0.060
communication skills	0.769	-0.038	-0.011	0.122
foreign language	0.619	0.222	0.178	-0.012
IT skills	0.523	0.136	0.493	-0.003
EU basics	0.476	0.263	0.296	-0.031
economic skills	0.450	0.022	0.438	0.326
technical skills	-0.122	0.892	0.022	-0.008
cultural skills	0.400	0.671	0.008	0.196
social awareness	-0.098	-0.029	0.849	0.013
social basics	-0.051	0.021	0.013	0.897
self-knowledge	0.390	0.166	0.055	**0.419**

Source: research in 2014. N=519. Varimax method; KMO=0.737; total variance=59.0%

During the four-factor trial the previous result was gained, i.e. negotiation techniques, communication skills, foreign language and EU basics moved together. Surprisingly, technical skills were grouped to a factor with cultural skills although in our opinion cultural skills (sensitivity) can rather be part of social awareness, which was in a separate sector. Social skills and self-knowledge moved together partly because individuals are integrated into society and while socializing one 'melts' in society and also retains their identity.
Table 7 presents the results of the five-factor trial.

Table 7 Rotated factor matrix of the five-factor trial

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
negotiation techniques	0.719	0.312	-0.111	-0.170	-0.104
communication skills	0.706	0.345	-0.069	-0.047	-0.044
self-knowledge	0.633	-0.047	0.229	0.181	0.186
economic skills	0.511	0.234	0.032	0.459	0.159
foreign language	0.217	0.756	0.085	-0.078	0.049
IT skills	0.175	0.714	0.021	0.275	0.029
EU basics	0.098	0.705	0.137	0.056	0.042
technical skills	-0.162	0.122	0.877	-0.018	0.011
cultural skills	0.493	0.142	0.691	0.050	0.010
social awareness	-0.046	0.073	0.000	0.890	-0.060
social basics	0.042	0.087	0.011	-0.025	0.974

Source: research in 2014. N=519- Varimax method; KMO=0.737, total variance=67.8%

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During the five-factor trial negotiation techniques and communication were grouped together with economic skills and self-knowledge, which serves as a way of communication and expressing oneself.

EU basics partly require foreign language knowledge while IT skills also help us orienteer in the world and become culturally open. The unique combination of technical and cultural skills was also present together with the separation of social awareness.

The fifth separated factor is that of social skills that correlated with technical and cultural skills as well as self-knowledge during the three-and four-factor trials, respectively.

In our opinion social skills would rather be treated with economic skills as an integrated unit and they can also have something to do with self-knowledge due to the indistinct individual and social roles in the process of socialization.

Conclusions and recommendations

In the following section we will summarize in short the most important conclusions and recommendations based on the primary and secondary research.

As there is no unified definition for competencies either in national or international literature we would recommend **working out a definition for each branch of science**.

The importance of the so-called modern entrepreneurial competencies (ICT: communication, foreign language, IT) has been revealed, which is in perfect harmony with the requirements of the business sector. We would suggest developing these competencies more intensively either under institutionalized circumstances (at schools) or non-formal education.

Of course, the explanation for the differences regarding the relevance or development of a competency lies in the fact that competencies are position and job-related but in our research we also made note of *certain shifts in stress* (and diverse special competencies) depending on company size and profile.

As competency development was regarded important both by (would-be) employees and employers we would recommend the contribution of a supporting organizational culture to certain personal competencies (such as self-improvement).

However, it must be noted when talking about the role of personal competencies that updating them and putting a proper stress on them is of vital importance in the content of the training, which could promote (better) harmonization between the labour market and education. This is the essential aspect which we integrated in the new model based on personal competencies and made some suggestions for the business sector and education regarding the process of selection and training, respectively.

As a result, we have proved the further appreciation of competencies in the future based on the opinion of the respondents.

In addition, we have also concluded that it is necessary to improve the practical side of education and developing professional and general skills and abilities. It is one of the points where the dialogue between the labour market and education could be improved.

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In our opinion the paper helps highlight what key business competencies are that can increase and increase the competitiveness and success of employees. Among others, we were striving to find an answer how competencies are re-evaluated and what are the skills and abilities that are no longer necessary for success in the labour market and also the ones that were not necessary before but now they have become indispensable. As set by one of the research objectives, an integrated, personal competency based model was also created that draws attention to the reassessment and updating personal competencies with special regards to selection and person-job fit as well as the problem of flexibility in education and also makes relevant recommendations for the selection specialists of the future.

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