

Presumptions of the Process Management Application in Terms of Self-government in the Slovak Republic

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Abstract: *Knowledge management is actively using synergy effect between the three basic pillars: human resources, organizational processes and technologies, which chosen institution should be able to use in processes of knowledge management. The actually running processes within the organization are one of the most important component for implementation principles and methods of knowledge management. Knowledge society and knowledge-based organizations to apply elements of process management. The aim of the paper was to identify the current situation and preconditions for the application of process management in terms of self-government of the Slovak Republic. The emphasis is placed on optimization of the processes which are carried out at the level of observed subjects. The partial goal is to identify changes and approach to changes, which should be implemented at the level of the organization's management with the objective to optimize the outputs of the territorial self-government of the Slovak Republic. Author of this article has formulated three basic hypotheses. The hypothesis was verified through the Kolmogorov – Smirnov test. The results were used to determine the factors influencing process management in public administration and the efficient operation of the territorial self-government.*

Keywords: *process, functional management, process management, public administration, territorial self-government.*

JEL: H720, H760, H790

Introduction

The transition of enterprises from the functional arrangement to the process organization is the current trend. The process stand point sees the organization as a set of processes that cross the individual organizational units within the enterprise and supply their outputs to external or internal customer. The process approach is understood as a key tool for the continuous improvement of business processes. Introduction of the process management entails a number of changes which should result in obtaining the greater competitiveness, achieving the higher productivity and business efficiency. Implementation of these changes, however, requires a thorough understanding of the process management principles.

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1. Comparison of functional and process management

Functional management represents the traditional form of the business functions management. As the basic business functions considered are the following functions: production, technical, commercial, financial and human resources. The individual functions observe their own aims and interests, which are often in the conflict.

When defining a functional approach, attention should be drawn to the fact that its main feature is the division of the work between the functional units, which are formed on the basis of their abilities or respectively on the basis of their expertise. On that basis generated is the organizational structure consisting of sub-units performing the operations of the certain process (task/ project / action). In this case, the attention is not paid to the entire process of the activities as a whole. The risky point in the process of the functional management presents each process of the transition from one division to another because of the information noise and time loss. The company is then managed according to the needs of the functional units. The possibility of the organization improvement when applying the operational management is usually realised by the increase of the performance of each organizational unit (Grasseová, 2008).

The functional process management is seen as a management according the line of the divisions. In this case, the linkages and coherences between the individual processes are not specifically defined. The activities are simply divided between the divisions and functions of an organization. The functional approach is focused mainly on the outputs, which means that it is focused on the effects and not at the causes (Kollár, 2013).

Grasseová M. (2008) sets out the reasons causing the grounds of the rejection of the transition from a functional approach to the process approach and the most significant include mainly:

- a) The functional structure of the organization brings together the activities of various divisions and those divisions resist to the changes or withdrawal due to the existential reasons.
- b) In the past, developed were the information systems through a functional approach and that is why today they only satisfy to the needs of the functional structures.
- c) The staffs in the functional divisions are focused only on the performance of the activities entrusted to them and not on the operation of the organization as a whole, which implies that all processes run across the organization horizontally.
- d) They lack of information on the process approach and knowledge or the information is distorted and unclear. The missing knowledge about the process approach is mainly related to its essence, opportunities and benefits for the organization.

- e) Unwillingness to change the run in existing system concerning the remuneration in the system based on the real achievements based on the of measurable process performance.

When summarizing the negative aspects of a functional approach and main reasons for the withdrawal of its application nowadays, we can point out that the working activities in a such way managing organizations with the objective to achieve the more efficient exploitation of the production resources and specialization are fragmented into the simpler operations and even acts. Employees gain a skill in that way that they are assigned simple working operations that are repeated. The negative side is in particular that, that since the work is tedious, monotonous and often requires unilateral workload, employees quickly lose interest and motivation to do the given work (Androniceanu & Ohanyan, 2016). Another barrier is the fact that the work is focused only on the result, what does not enable the organization to disclose the causes of possible failure in the implementation of business processes.

“The process management represents a form of governance that systematically identifies the corporate processes and their attributes, creates the conditions for their efficient operation, co-ordination, measurement and continuous improvement, resulting in a quality product integrating the customer's requirements and corporate strategy.” (Závodský, 2001)

“The basic premise of the process approach is that the cause of the potential problems in the organization is ill-conceived and ongoing processes that need to be redesigned and yet it is necessary to eliminate all activities that do not bring value to the customer”. (Vágner et al., 2004).

The interesting basis for the understanding of the process approach is a systems theory, which emphasizes the need for the complex understanding of sub-management processes and their coordinated harmonization in to the target behaviour of an integrated functioning unit (Becerra et al., 2016). The advantage of these approaches is that they are based on a dedicated abstraction in an ordered set of elements and their linkages. They are also trying to identify the inputs to the system that are relevant to the behaviour of the system as a whole so that the system would reach its determined goal. This view allows seeing the process approach in its complexity (Mengoli et al., 2017). Processes in an organization are of twofold nature - the working processes through which takes place the process of creating the product and work processes that manage formation of the product. A large range of processes and diversity of the requirements for their course leads to the search for the principles of their logical layout, especially by logical relatedness, which in practice means that substantive and energy related processes are combined and carried out in separate divisions. In the public administration organizations identified are the following management processes: core processes serving for added value creation and service processes that serve to support the main process (Liberko, 2005).

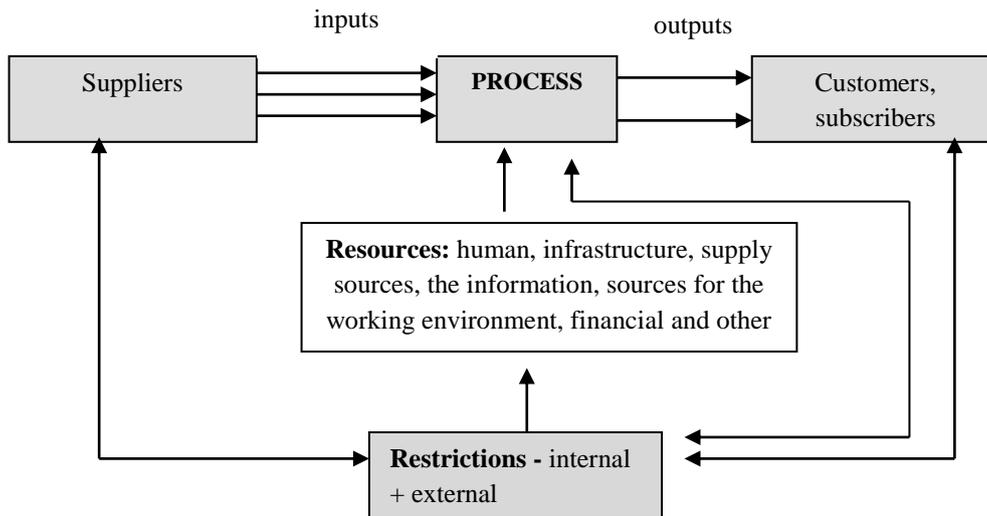


Figure 1. Processes in the organization

(Source: Liberko et. al., 2005)

Basic attributes, through which the process management differs from the functional one, were summarized by Truneček (1999).

- The horizontal management that makes use of a less hierarchical autonomous organizational units which have a strong horizontal ties between themselves. The vertical integration is maintained only for key corporate strategic and development activities,
- Process teams that have considerable autonomy and operate on the principle of entrepreneurship within the enterprise (this principle was already formulated by Tomas Bata in the thirties of the twentieth century),
- A new way of motivation, which is based on the collective motivation and is bound to that fact how the process team contributes to the given value for customer. The customer and his satisfaction are the main measure of the remuneration level for the corresponding team,
- Coaching replaces the previous commanding. The role of managers is changing as the teams work independently and commanding would rather hamper their work.

Mládková (2001) states that one of the typical errors in the transition from the functional management to the process management lies in that, that companies have a tendency to accede to the change in the process management as it would be a change of a technical nature. The process management, however, is not only a modification of the existing system, but it is a change between two completely different ways of management. The main reason why companies have problems when transferring to the process management lies in human resources. Companies

often behave as if it was only the case of the change of the organizational structure, the introduction of new technology or machinery and assume that people will adapt themselves to process management. One of the main problems is also resistance to changes that people consider to be unpleasant and also dangerous. The basis of the success in the implementation of process management is therefore an early understanding that this is not a technical or organizational change but it is a change related mainly to the human factor.

2. Changes in the organization as a tool of the process management

One of the biggest problems in the process of the change management and one of the most unstable elements of change at the present time and also in the future will be the human. On the one hand human acts as the implementer of change and on the other hand human are an object of changes. One of the tools as quality and time apply the principles of process management in business practice is to provide permanent education of all employees in the organization. Education should be seen as tool for the implementation of changes that will ensure transformation from a functional organization to process one (Čepelová, 2002).

The successful change requires that the methods, techniques, strategies and implementation tactics were adapted to the particular history, culture and people in the organization. The process of change in organizations is often too complex for us to understand it in details. However, there are a number of models showing how to make the change and how to cope with the change in the organization. Any change, if possible, should be the planned change. This planned change can be successful only if it wakes up in the members of the organization until that time the latent vision and gives the form and substance of interest to those members.

We can distinguish the change in terms of its effects on individuals, teams, groups and organizations - that means in terms of the level at which the change takes place. Naturally, we can expect that the change in the work, which affects only one person, will be managed easier and takes less time than a change that affects a group of people or an entire organization.

One of the biggest problems in the process of change management and one of the most unstable elements of change at the present and in the future, will be the human. On one hand: there is a man as implementer of change and on the other hand man is an object of changes. Right in this second case we are facing a frequent problem that there is some natural resistance to the change. It is important that the manager of changes does not forget this fact and intensively, throughout the entire process of change management, undertakes to the minimisation of the negative attitudes of employees who are directly affected by the change (Nica et al., 2016).

There pays the rule following out from the practice that only real manager is actually a manager of a change, for while the organization is not in a state of complete extinction, still there is something to be changed within it. The role to manage the change could arise as a result of a decision of a superior body or higher

functional position, or the need for change was found by manager himself. In both cases the management of change requires a broad range of managerial abilities and skills.

One of the methods used in implementing the changes proposed by Galbavý, Š. and Sluk, Z. (1999), is the method „The framework of the project“ that has been developed by the World Bank.

The changes are introduced through the project, which consists of and defines:

- **Mission.** It expresses the overall sense of the project in the context of the business philosophy and vision, respects the long-term business strategy.
- **Goals.** It expresses the final result to be achieved by implementation of the project. It captures the main impact of the project.
- **Outputs.** These are concrete results that must be achieved to meet the project objectives.
- **The indicators of the achieved objectives and outputs.** They are concrete, measurable results that determine the success of the project implementation. The well-defined indicators are an important tool for the project.
- **Resources.** These are the basic capabilities that are necessary for the achieving of the project goals. Still more and more grows the importance of human resources.
- **Restrictions.** These are the boundaries that project may not exceed. They may be a various periods of time, quantitative, financial and other limits.
- **Critical assumptions.** These are external conditions that must arise for the goal to be achieved.

One of the important tools for implementing changes represents the projects of changes. These are developed continuously and particularly in the implementation of changes that can be anticipated through early and thorough diagnosis of the external and internal environment as well. The second groups of projects are specific projects that are extensive and demanding. Their demanding and scope is in direct proportion on the change that must be implemented. For this type of projects is specific their use which is unrepeatable because of the variability of the factors that cause change or affect its course respectively. Projects of changes should include the basic components, namely: a delivery plan of activities, schedule of procedures, resources and costs, responsibility matrix and plan of risks. All these components of the project of changes need to be developed in due time, as their impact on the timely and correct implementation of change is very high. Careful processing of the project will prevent the occurrence of unforeseen situations and minimize the negative attitude to change.

3. Results of the implemented research

The aim of the paper was to identify the current situation and preconditions for the application of process management in terms of self-government of the Slovak Republic. The emphasis is placed on optimization of the processes which are carried out at the level of observed subjects. The partial goal is to identify changes and approach to changes, which should be implemented at the level of the organization's management with the objective to optimize the outputs of the territorial self-government of the Slovak Republic. The observed sample and source of information for the area of investigation focuses on the cities of the Slovak Republic. According to data from the Statistical Office of the Slovak Republic, 138 municipalities have received the city status on the date 12/31 2012. For the purposes of the questionnaire investigation, as respondents were selected managers of the municipal offices of the SR with competence to ensure the organizational and administrative matters of the City Council and the Mayor, as well as the authorities established by the council. As managers they have effect on the participation in the implementation and improvement of process management in municipal practice.

The research sample consists of 56 cities out of 138 cities in Slovakia. The return is 280 questionnaires from 690 possible from five observed areas. This number is deemed as sufficient, as the return in questionnaire method of data gathering is in the environment of the public administration (state administration or territorial self-government) problematic one. Reason might be congestion workers or their unwillingness to re-identifying information for the purposes of summarizing the final statement as well as the fear of lack of professional ability to complete the questionnaire.

4. Verification of the occurrence rates of process management features in terms of municipal authorities of the Slovak Republic.

The first task of the research was to identify the presence of characters in the process management of municipal authorities in Slovakia. The aim was to demonstrate that process management has its place in the public sector and is not just a matter of the commercial sector.

Table 1. Daily contact of managers with the working procedures / processes

Answer	Number	%
Yes	278	99,29
No	2	0,71

(Source: Own processing)

Based on the research we can conclude that processes at the municipal offices are present because up to 278 out of 280 respondents (representing 99.29%) confirmed that they daily come into contact with different working procedures / processes which must be respected in their work. Managers in their work do not control only one process but from the obtained data it is clear that there are more such processes. This fact is confirmed by information given in the Table 2, where up to 99.29 % respondents agreed with this statement.

Table 2. Contact of managers with the working multiply procedures in which they participate

Answer	Number	%
Yes	278	99,29
No	2	0,71

(Source: Own processing)

The further observed definition feature of the process management is the perception of the processes interconnection in frame of the municipal office. Up to 184 respondents (representing 65.71%) of respondents agreed and 55 (i.e. 19.71% of respondents) rather agreed. Zero number of respondents disagreed with the mutual interconnection among the processes. We can therefore conclude that managers perceive mutual interconnection between the processes.

One area of investigation is to identify the scope for potential improvement. Satisfaction with the current state was confirmed by 209 managers (i.e. 74.91%) out of 280 respondents. On the contrary, dissatisfaction was expressed by 70 executives, which is 25.09%. One respondent did not provide the answer for that question. The ratio among the satisfied and dissatisfied employees is shown in Figure 1.

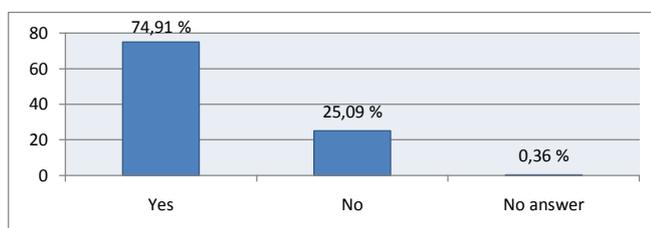


Figure 1. Satisfaction with current state of the process in %

(Source: Own processing)

The Figure 2 is linked to the previous Figure 1 which shows opinion of respondents with the satisfaction with the current state of the process. Among all respondents up to 74.91% of respondents expressed satisfaction with the current state of processes that they manage. At the same time they believe that the processes which they manage and implemented can be improved. Only 1.43% of managers (4 respondents) see no possibility of optimization change of the process.

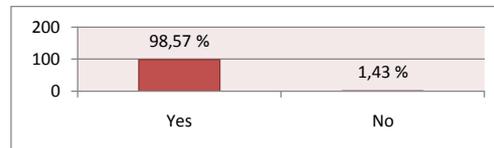


Figure 2. Perception of room for process optimization in %
(Source: Own processing)

Another aim of the executed research was to study the degree of autonomy of local government executives in the implementation of process changes. The idea was to find out whether managers have the competence to change by them controlled process. In Figure 3, one can see that maximum, up to 41.43%, i.e. 116 out of 280 respondents change the processes with the approval of their immediate superior. A second type of the most numerous group is 104 (37.14%) executives who see the process of change as a result of the external legislative changes such as changing the constitution or the law. Fifty-eight (20.71%) of respondents percept as an impetus to change the internal change in regulations/city documents (generally binding municipal regulation, internal regulations of the municipal office, a change in an organization order of the municipal office, etc.). As the initiators of the process change indicated themselves only two managers, representing only 0.71% of respondents.

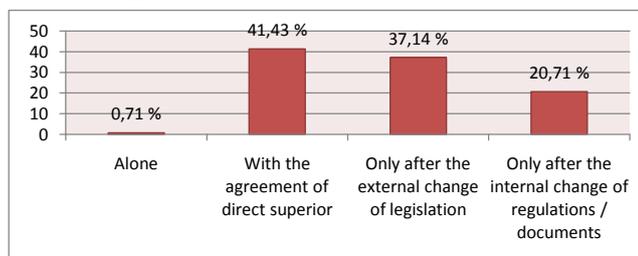


Figure 3. Methods for introducing changes in processes, in %
(Source: Own processing)

Executives did not confirm significantly the real possibility of influencing the processes they manage. Table No. 3 shows a balanced value. In total 119 (42.50%) respondents agreed and rather agreed with the competence. Rather disagreed and disagreed 96 of employees (which is 34.29%). 65 respondents (i.e. 23.21%) could not answer.

Table 3. The real possibility to influence the formation of the controlled processes

Answer	N	%	Average	Med	Min	Max	Standard Deviation
Agree	61	21,79	2,79	3,00	1,00	5,00	1,28
Rather agree	58	20,71					
Do not know	65	23,21					
Rather disagree	71	25,36					
Disagree	25	8,93					
	280	100					

(Source: Own processing)

As stated by the theory, the aim of effective performance of the management process is the continuous improvement / optimization of processes. Similarly as in Table 3 also in Table 4, there is provided the proportional representation of the responses of executives of the city offices which is of the similar percentage (from 22.50% to 26.79%). However, the disagreement expressed only 15 respondents (representing 5.36 % of respondents).

Table 4. The opportunity to affect actively/change the process/procedure of activities and work towards its improvement and effectiveness.

Answer	N	%	Average	Med	Min	Max	Standard Deviation
Agree	63	22,50	2,61	3,00	1,00	5,00	1,21
Rather agree	75	26,79					
Do not know	64	22,86					
Rather disagree	63	22,50					
Disagree	15	5,36					
	280	100					

(Source: Own processing)

Executives of the city offices in Slovakia work towards the optimization of the processes to make the operation of department/section/division or the entire

municipal office more effective. This fact was also confirmed up to 216 (77.14%) respondents. Table 5 shows the ratio in responses. Managers (77.14% of respondents) had the opportunity to participate actively in streamlining/process optimization in their current work place.

Table 5. Active work toward the improvement and streamlining the working processes

Answer	N	%
Yes	216	77,14
No	64	22,86

(Source: Own processing)

From the previous research it follows out that almost every process in the territorial self-government is in the form of written instruction that managers must respect during the process management. The question therefore is whether the document / regulation leave the room for the management executives to manage the allocated activities. And thus, whether documents / regulations do not address the processes in detail, thus leaving partial activities of the processes not adjusted. The room for the management alone is perceived by 113 (40.36%) respondents. 18 respondents disagreed (6.43%) and rather disagreed 78 respondents (representing 27.86% of the total 280 questioned).

Table 6. Room for the process management alone

Answer	N	%	Average	Med	Min	Max	Standard Deviation
Agree	53	18,93					
Rather agree	60	21,43					
Do not know	71	25,36					
Rather disagree	78	27,86					
Disagree	18	6,43					
	280	100	2,81	3,00	1,00	5,00	1,22

(Source: Own processing)

The priority of process management is the continuous improvement of the processes that are in the environment of the local government bound by documents / regulations (as shown in the Table 6).

The necessary innovations of the method / form of their adjustment arise when changing processes in order to increase their efficiency, as confirmed by 143 (51.07%) respondents. Rather disagreed 59 (21.07%) of respondents but disagreed only 15 (5.36%) of 280 executives (Table 7).

Table 7. The conditioned necessity of change in the document / regulation in order to optimization changes of the process

Answer	N	%	Average	Med	Min	Max	Standard Deviation
Agree	74	26,43					
Rather agree	69	24,64					
Do not know	63	22,50					
Rather disagree	59	21,07					
Disagree	15	5,36					
	280	100					

(Source: Own processing)

According to the Table 8, 143 respondents confirmed the direct dependence of the process change from the change of document /regulation. Interesting is the perception of the frequency of the optimization changes of the document / regulation. Frequent and rather frequent change indicated 175 (62.72%) of respondents, confirming thus the certain dynamics of changes in order to make effective the functioning of territorial government of the city. According to Table 8 no changes and almost no change observed 26 (representing 9.32%) respondents.

Table 8. Frequency of the optimization changes of regulation / document adjusting the process

Answer	N	%	Average	Med	Min	Max	Standard Deviation
Frequently	37	13,26					
Rather frequently	138	49,46					
Mean frequently	78	27,96					
Hardly ever	24	8,60					
Never	2	0,72					
No answer	1	0,36					
	280	100	2,34	2,00	1,00	5,00	0,84

(Source: Own processing)

5. Testing of the hypotheses

The goal of the research was to determine whether there is a *correlation between the level of competencies of managers in territorial self-government of the city in the implementation of process changes and rate of binding of the optimization of the document / regulation governing the process municipality self-government*. Based on the normality test using the Kolmogorov - Smirnov

test, we have found that both variables, so level of competencies of managers in self-government in the implementation of process changes as well as level of the seriousness rate of the optimization of the document / regulation governing the process of self-government are not normally distributed (Table 9). For that reason for the detection of tightness relation used was the correlation coefficient gamma. Applying the testing, a statistically significant relation ($\gamma = -0.54$, $z = -10.68$, $p < 0.001$, $n = 280$) was found and thus the data confirm this hypothesis.

Table 9. Kolmogorov – Smirnov test 1

Variables	D	P
Level of competencies of managers of territorial self-government of the city in the implementation of process changes	d = ,17	p < ,01
Level of the seriousness rate optimization document / regulation governing the process of self-government of the city	d = ,16	p < ,01

(Source: Own processing)

Next observed was the existence of a relation between the *level of competence of the executives of the territorial self-government of the city in the implementation of process changes and degree of severity of the document / regulation governing the process self-government of the city*. On the basis of the Kolmogorov - Smirnov test, it was found that the examined variables are not normally distributed (Table 10). The correlation coefficient gamma confirmed the statistically significant relation between the degree of severity of the document / regulation governing the process of the self-government of the city and level of competence of the executives of territorial self-government of the city ($\gamma = -0.69$, $z = -13.91$, $p < 0.001$, $n = 280$). The hypothesis was confirmed.

Table 10. Kolmogorov – Smirnov test 2

Variables	D	P
Degree of severity of the document / regulation governing the process of self-government of the city	d = ,15	p < ,01
Degree of competence of the self-government executives of the territorial self-government of the city in the implementation of process changes	d = ,17	p < ,01

(Source: Own processing)

The goal of the research was to map the degree of autonomy of executives of the territorial self-government of the city in the implementation of process changes. The aim was to find out whether managers have a real impact on change

of the processes entrusted to them. Real possibility of influencing the formation of process was confirmed by 42.50% of respondents. 8.93% of respondents operate without this possibility. However, 49.29% of executives work toward the improvement and streamlining after its creation (5.36% of respondents do not affect the process). Until the present active work toward the upgrading of the managed processes was summarily confirmed by 77.14% managers of the city. The reasons for these aspects are the ways of change in the processes. Process change only after the necessary changes of internal / external regulations / documents stated up to 57.85% of managers. Competence to change processes is less limited in the case of dependency on the agreement of direct supervisor / supervisors. This case is typical for 41.43% of respondents (usually the superior it was a City Mayor, City Council Members, Head of Unit, etc.). Complete independence in the process changes was reported by 0.71% of managers only.

Next formulated research aspect was: Is there a statistically significant relation between the level of competencies of executives of the territorial self-governments of the city in case of the implementation of process changes and seriousness rate of the optimization of document / regulations governing self-governing process? Expected *hypothesis* of the existence of a statistically significant relationship between the variables *is confirmed*. Consequently, it can be said that autonomy (independence) of the executives of the territorial self-governments of the cities in the implementation of process changes is significantly limited by the regulations / documents regulating the process and also is limited by the consent of the hierarchically superior manager. However, this does not mean that managers do not have competence (authorization) to regulate the procedure of activities in order to streamline their course, although unlike the private sector, it happens to a lesser extent.

Processes of the city offices of the Slovak Republic according to Fig. 2 are governed mainly by laws (confirmed by 96.79% executives) and the generally binding orders of the city (95.00 % of managers). The third place was taken by the city internal regulations (agreed by 77.86 % of respondents), followed by the Constitution (stated by 68.93% of respondents) and any other document (agreed by 46.07 % of respondents). For our aim interesting is the fact, that processes without any adjustment in the document are almost not controlled by the managers of the city offices. The question is whether the staff perceives the room for the processes management alone. The possibility to adjust the partial steps of the process was confirmed by 40.36% of respondents (only 6.43% respondents did not agree). With the objective to fulfil our goal we were interested whether the change in regulation/document must precede the optimisation change of the process. Only 5.36 % of managers did not agree. This fact again confirms the strength of the legislation environment. As frequency of the changes is considered, rather more frequent one dominated (stated by 49.46 % respondents).

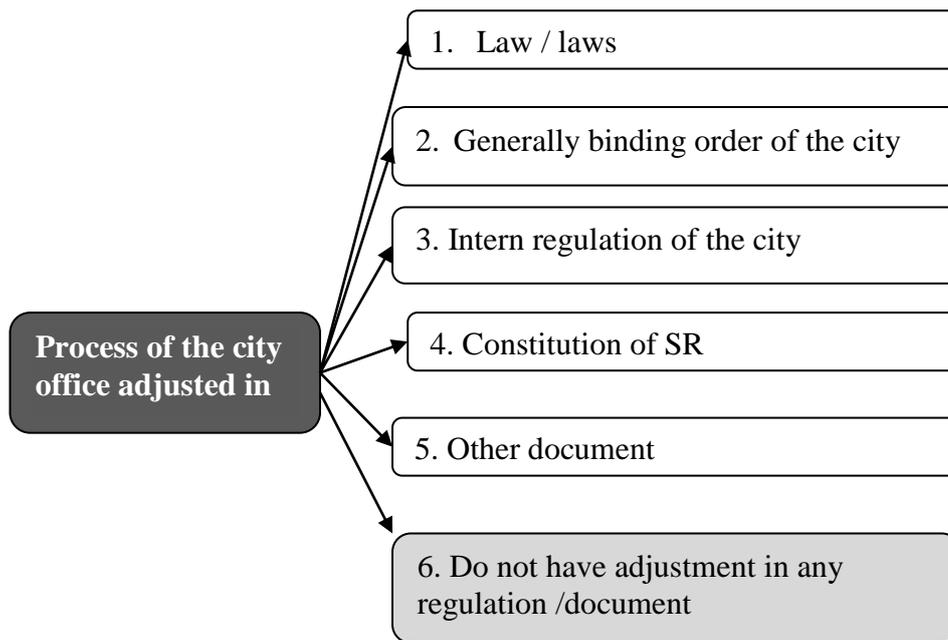


Figure 2. Form / method of the adjustment of the processes of the territorial self-government of the city

(Source: Own processing)

The third research question: Is there statistically significant relationship between the level of the competences of the executive managers of the territorial self-administration of the city in the implementation of the process changes and the level of the seriousness of the document/ regulation governing the self-administration process? Assumed *hypothesis* on the existence of the statistically significant relationship among the variables has been *confirmed*. Based on the descriptive statistics and confirmation of the hypothesis we can claim that the principal steps of the almost all processes carried out at the city offices of the Slovak Republic have got the form of the written instruction in form of the regulation/document. They however leave certain room for the own adjustment of the partial steps of the progress. The executive managers most frequently follow the legislation and generally binding regulations of the city in their activity.

The intention of the process management is continuous improvement of the processes within the organisation with the objective to gain the maximum of their potential. However based on our findings is this endeavour rather limited. Therefore we recommend to leave more room to the executive managers for the own control. They are daily in contact with processes and therefore they know

them best. Documents and regulations must govern the main steps of the city processes only. The partial steps of the activity need not to be adjusted above their frame. In such way there will be room for the making processes more efficient without the sometimes prolonged change in the process and document.

When applying the process management in the practice, it is not possible to omit the specific effect of the legal environment on the control of the city offices as well as effect of the bureaucracy on the efficiency of the controlled processes. One should also note that besides the total volume of the funds spent, the efficiency of the spending and the success in achieving the stated objectives are equally important (Výrostová, 2016). Low degree of decentralization of management does not allow the establishment of real autonomy for the heads of the different departments (Bobáková, 2003, p. 171). Goal directed change should be the gaining of the higher level of the autonomy of the executive staff of the territorial self-government of the city when implementing the process changes and reduction of the useless administration load (Figure 3).

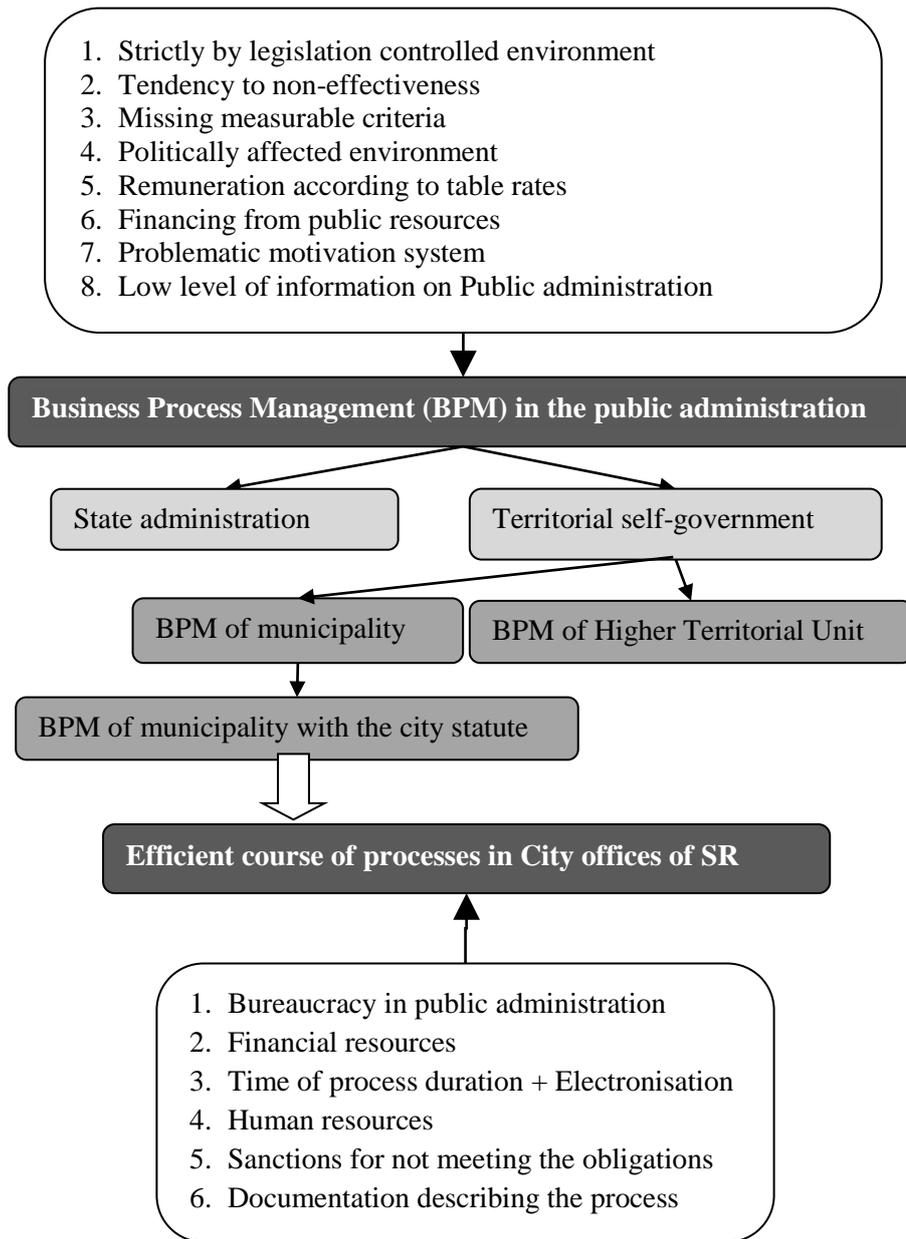


Figure 3. Factors influencing process management in public administration and the efficient operation of the territorial self-government.

(Source: Own processing)

6. Conclusions

Not only private sector organizations as well as the public sector are in today's dynamic times forced to look for the new ways and means to streamline their operations. One of such possibilities is also the process management, which is the focus of this study. With regard to the increasing trend in the process management application in public administration management, the paper specifically addresses the issue of the process management application in the territorial self-government of the Slovak Republic, namely management practices of the municipal offices in Slovakia.

Organizations mutually differ from each other mainly in such way as their individual processes are performed and managed, which has a direct impact on the overall effectiveness of the organization. Public administration organizations are generally having the problems with unsuitable organizational structure, unclear competences and traditionally there is a problem of low efficiency. The solving of these problems can be facilitated by the process approach in the management of public organizations (Štangová, Knežová, 2007)

One of the priority objectives of the European Union is the building of European economies based on knowledge. Achieving this objective requires paying attention also to the management and implementation of process management in the institutions of state administration and self-government of the Slovak Republic. One of the conditions of knowledge management is the target and process-oriented management of the organization. Theory dealing with issues of knowledge management states that one of the necessary conditions for the application of the model of knowledge management in organizations is the process management of the organization. That argument is based not only on theoretical knowledge of many renowned authors, but also on many studies and surveys, which were executed in the business sector and they also confirmed this claim. Knowledge management requires that the organization should clearly and precisely specify all the processes which are carried out. Such specification is important for us to be able to identify what skills, knowledge and information requires the particular process.

The concrete processes of the organizations specify particular requirements for knowledge, skills, information, that means they describe the specific requirements for employees, as bearers of knowledge.

Only that institution of the public administration that knows what, how and for whom to do can satisfy the citizen - client. The answers to these three fundamental issues are keys to the success of public administration organizations.

The process management is a significantly wider concept; it requires specification of processes as well as system management, i.e. assurance for the horizontal and vertical integration of all processes and their components. The emphasis must be placed on a systematic and long-term approach to the planning, organizing, leading and control in terms of the processes performed by the organization. At the same time it has targeted respond to the constantly changing

conditions and requirements of the external and internal environment. The process management not only brings order in the organization, but especially long-term efficient, economical and effective performance of the public administration organization as a whole. The process management also creates one of the premises for the creating a knowledge-based organization. Based on the findings, including on the basis of discussions with competent employees of public administration organizations, we recommend for the public administration institutions to apply systematically knowledge of process management in the performance of public affairs. This change in the management of public administration organizations is demanding but nowadays necessary. Many examples from abroad point at the benefits of process management even in organizations which operate within the non-profit sector. At the same time they create conditions for the formation of a knowledge-based organization.

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