

HUMAN RESOURCES MANAGEMENT IN INSURANCE COMPANIES: CASE STUDY WIENER STADTISCHE

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ABSTRACT

The research conducted in the company *Wiener Städtische* aimed to analyze the policies and practices of human resource management, with special emphasis on organizational climate, motivation, training programs, and employees' professional development. The sample included 150 employees, and the collected data were processed using the survey research method. The results indicate that most employees perceive the organizational climate and team collaboration positively, while 97% of respondents emphasized that human resource management is of exceptional importance for the company's success. Furthermore, more than 80% of employees have participated in training and education programs, while nearly 70% believe that the company invests sufficiently in employee development. Half of the respondents perceive the HRM model as contemporary, while the rest recognize elements of a traditional approach. The obtained results confirm the crucial role of human resources in ensuring long-term competitive advantage and point to the need for further improvement of communication and employee development policies.

Key words: Human Resource Management, Organizational Climate, Motivation, Training, Insurance Companies.

INTRODUCTION

Interest in this topic arises from the fact that the insurance sector in Serbia has recorded noticeable growth and increased market presence in recent years. Several internationally recognized insurance companies operate on the domestic market, while human resource management has become an important determinant of business performance. Human resources represent the main factor of success in every insurance company. On this basis, the following research hypothesis has been formulated: the integration of training outcomes into work efficiency and professional task performance contributes to employee satisfaction within the organization (Ahmad et al., 2025). The hypothesis may be confirmed, rejected, or partially confirmed depending on the characteristics of the research sample. The subject of this paper is the analysis of human resource management in an insurance company, with Wiener Städtische selected as the case study due to its successful business operations in Serbia for more than a decade. The main objective of the paper is a detailed analysis of human resource management policies within this company, with particular attention given to the HR sector as the central point of analysis. Wiener Städtische was established as a greenfield investment of Vienna Insurance Group Wiener Städtische Versicherung AG, the leading Austrian insurance company with a tradition spanning 190 years and a strong presence in Central and Eastern Europe (Carannante, 2025). The paper consists of three sections. The first section presents the theoretical framework and explains the main concepts of human resource management, including staffing, HR administrative procedures, training, and career development. The second section provides an overview of insurance operations, including the main types of insurance, such as life and non-life insurance, together

with the risks related to these activities. The third section contains empirical research and presents a practical review of HR management in Wiener Städtische through an analysis of the company's mission, vision, and HR policies that support business growth and development. Wiener Städtische gives considerable attention to investments in human resources because employees are regarded as the company's most valuable asset. The employment policy is clearly defined and includes workforce planning, external and internal recruitment, and transparent procedures related to employee selection and documentation. Professional development opportunities for employees include postgraduate education at the master's level, doctoral studies, training programs, seminars, workshops, mentoring, and coaching. Nearly half of the employees hold higher education degrees, most of which were obtained at state universities. The company also allocates a significant share of its budget to professional development. In recent years, these investments have exceeded 3% of total company revenues.

There are numerous definitions of management, which represents one of the most accepted professional concepts and the central category of this research. The most frequently cited definition states that management is the process of planning, organizing, leading, coordinating, and controlling human, material, financial, informational, and other resources in order to achieve organizational goals under the most favorable conditions. This definition appears in many textbooks and in different languages because of its broad and comprehensive character. Special attention is given to human resources as the primary organizational resource (Fedorovych, 2025). Philosophical analyses by Karl Marx identified human labor and human potential as the main factors of social development. In the modern organizational context, people remain at the center of production, finance, public services, and other organizational systems. Human resources may be defined as the total potential of a society, region, or company. This includes physical, psychological, and intellectual capacities, together with culture, knowledge, skills, habits, and civilizational achievements (Cosma, 2024). The objective of management is efficient human resource utilization through better employee performance, higher productivity and work quality, employee satisfaction, and long-term organizational commitment (Fung, 2025). Human resources are distinguished by their ability to learn and adapt. This characteristic makes them the basis of innovation, organizational change, and competitive advantage.

Human Resource Management (HRM) is a separate field of management that examines all aspects of employees and employment within an organization. Unlike other management disciplines, HRM does not rely on one unified theoretical framework. Instead, it applies multidisciplinary approaches. One accepted definition states that HRM includes workforce planning, job analysis, recruitment, employee selection and socialization, training and development, motivation, health protection, and compliance with labor legislation. This definition reflects the broad scope of HRM, which includes activities from recruitment to employee development and reward systems. Current literature also defines HRM as a strategic and coherent approach to managing an organization and its most valuable resource, namely people who contribute individually and collectively to organizational goals. This definition points to the connection between HRM and organizational strategy.

Effective human resource management has become more demanding because of changes in the business environment. The most important factors include globalization, technological change, demographic shifts, and economic crises. Globalization has increased competition among companies and employees, while labor mobility and job insecurity have become more common. Technological development, digitalization, and automation have increased demand for highly skilled labor. Demographic changes, especially population aging and a shortage of younger workers, have created additional pressure on organizations. Economic crises, unemployment, bankruptcies, and offshoring have also affected labor market structures. Despite these challenges, organizations continue to build competitive advantage through human potential. This process requires coordination of employee knowledge, motivation, and interests toward common organizational objectives. As a result, the strategic importance of HRM has become more pronounced than before.

One of the central HRM functions is the implementation of personnel and administrative tasks after recruitment and employee selection. These activities are conducted by the relevant organizational department and include procedures connected with employment relations and employee engagement. Personnel and administrative activities are usually divided into three phases. The first phase includes procedures related to hiring employees or engaging individuals through contracts outside standard

employment. The second phase includes activities carried out during employment or engagement. The third phase includes procedures related to employment termination. In the legal sense, an employment relationship is established through an employment contract regulated by labor legislation. The contract becomes valid after signatures from both the employee and the authorized employer representative. Employment contracts may be concluded for a fixed period or an indefinite duration. If the duration is not specified, the contract is considered indefinite. Practice also includes forms of engagement outside standard employment contracts. A contract for services allows a legal entity or entrepreneur to engage an individual for activities outside the employer's primary business operations. A contract on professional training and development is concluded with individuals completing internships for professional examinations or acquisition of specific knowledge and skills. This form is often described as voluntary because it does not include salary compensation and is based on practical experience. A contract for temporary and occasional work allows employee engagement for tasks of a temporary nature, with a maximum duration of 120 working days within one calendar year. Employers are required to provide social insurance coverage for such employees, including pension, health, and unemployment insurance. Another form is the internship decision, which represents an internal organizational document requiring confirmation from an educational institution regarding the necessity of internship implementation. During employment, organizations conduct various personnel and administrative procedures, such as work-hour records, amendments to employment contracts, reassignment and promotion decisions, and administration of absences, sick leave, and other employment rights. Employment termination procedures are also regulated internally in accordance with legal requirements and include dismissal, mutual termination, retirement, and other forms of ending employment (Zhang, 2023).

The traditional model of human resource planning focused mainly on determining the required number of employees, their qualifications, and competency levels necessary for organizational functioning. The main purpose of this model was balancing labor supply and demand in order to secure the right employees in the right positions at the appropriate time (Gong et al., 2024). Labor demand was influenced by organizational strategy, business objectives, environmental conditions, and methods of human resource utilization. External labor market conditions also had an important influence on planning activities. Current business conditions have shown that the traditional model has become outdated. Modern human resource planning requires a broader and more integrated approach (Jabbour, 2024). Current models include all aspects of planning and attempt to answer three questions: where the organization intends to be, where it is currently positioned, and which activities are necessary for transition. In this context, the environment becomes a determining factor because it shapes both organizational structure and human resource strategy. External environment analysis includes market trends, technological development, competition intensity, political conditions, demographic characteristics, and other relevant influences (Quan et al., 2024). One common practical method is the development of environmental maps in which the organizational goal is placed at the center, while surrounding elements represent external factors such as employees, competitors, customers, and government institutions. Unlike the traditional approach, current HRM models place greater attention on humanistic values, employee motivation, satisfaction, and professional development. Economic indicators remain important, but they are no longer the only priority. Greater focus is now directed toward employee well-being and participation in continuous improvement processes. Results from empirical research conducted in the insurance company Wiener Städtische confirm this tendency. An anonymous survey showed that employees considered motivation the most important factor of organizational success, while 61% of respondents reported insufficient information regarding training and professional development policies. These findings indicate the need for organizations to adjust their strategies and increase attention to transparent communication, continuous education, and systematic employee development. Organizations are increasingly structured as information, process, and development systems characterized by constant change (Zhang, 2023). Such conditions require new organizational structures, different approaches to management, and HRM models adapted to global, digital, and competitive business conditions (Valdez et al., 2024).

RESEARCH RESULTS

The subject of this research is the analysis of human resource management in the insurance company Wiener Städtische, with particular attention directed toward employee motivation practices, training and career development programs, and employee perceptions of organizational climate and the HRM model applied within the company. The primary objective of the research is the examination of employee attitudes

regarding the importance, role, and effects of human resource management in Wiener Städtische. The secondary objectives include the analysis of employee motivation through material and non-material rewards, assessment of employee familiarity with training and development policies, examination of employee satisfaction with organizational climate and teamwork, and identification of employee perceptions regarding the application of a traditional or contemporary HRM model. Several hypotheses were established for the purpose of the research. The first hypothesis assumes that investments in training and professional development positively affect employee satisfaction and motivation. The second hypothesis states that human resource management is perceived as a key factor in the company's success. The third hypothesis assumes that material rewards represent the main source of employee motivation. The final hypothesis suggests that the majority of employees recognize the application of a contemporary HRM model within the company.

An anonymous survey was conducted among randomly selected employees in order to examine employee job satisfaction and attitudes toward human resource management. The research included 150 employees of the company. Considering the size of the sample, the findings cannot be considered fully representative. The survey was conducted between May 5 and May 30, 2025, through random sampling across all company sectors. Respondents completed the questionnaire either directly at the workplace or electronically through e-mail communication. The collected data were processed using Microsoft Excel. The research instrument consisted of a structured questionnaire with closed-ended questions and predefined response options. One survey question examined whether employees believed they occupied the appropriate position within the company. All 150 respondents answered this question, resulting in a response rate of 100%, which gives this result additional analytical importance. The findings indicate that almost 70% of employees are satisfied with their current position. This percentage suggests that most employees consider their knowledge, abilities, and competencies to be aligned with the requirements of their jobs. The result also points to satisfactory HRM practices related to employee placement and task allocation. Approximately 30% of respondents expressed a certain level of dissatisfaction with their position. This finding indicates the existence of employees who may require additional support, opportunities for advancement, or better alignment between competencies and job requirements. Overall, most employees expressed positive attitudes toward their current position, which contributes to organizational stability, work motivation, and long-term job satisfaction. At the same time, the percentage of dissatisfied employees indicates the need for additional HR measures directed toward increasing employee satisfaction and organizational commitment.

Another survey question examined employee satisfaction with organizational climate and teamwork. A total of 77% of respondents answered this question. The fact that nearly one-quarter of employees chose not to respond may indicate a degree of reservation regarding the evaluation of interpersonal relations and team atmosphere. It is possible that some employees avoided answering because of concerns related to workplace relationships or potential negative consequences. Among those who responded, most employees stated that they were satisfied with the organizational climate and the team environment in which they worked. These findings indicate positive interpersonal relations, cooperation, and cohesion within work groups. Such conditions contribute to work motivation, operational efficiency, and overall employee satisfaction. At the same time, the relatively high percentage of unanswered responses suggests the need for stronger organizational trust and more open communication practices within the company.

The research also examined employee perceptions regarding the importance of human resource management in Wiener Städtische. Respondents evaluated the significance of HRM on a scale from 1 to 5. A total of 94% of employees answered this question, which indicates a strong level of interest in the topic. The results show that 97% of respondents consider human resource management highly significant for organizational performance and company success. These findings indicate that employees recognize the contribution of the HR department to professional development, workplace stability, and employee support. The results also reflect confidence in HR management and the perception that HRM has an important strategic position within the organization. From a practical perspective, the findings confirm current tendencies in which HRM extends beyond administrative activities and becomes integrated into strategic organizational processes. In the case of Wiener Städtische, HRM may therefore be regarded as an important factor of organizational growth, development, and competitive position.

The survey further examined employee familiarity with training and professional development policies implemented by the HR department. Employees were asked whether they were familiar with the company's training and development policy. The results indicate that 80% of respondents answered this question, showing a relatively high level of participation. Most employees stated that they were familiar with the company's professional development policy, which confirms that such policies are documented and accessible within the organization. However, a certain number of employees reported insufficient familiarity with these policies. The findings suggest that the issue is related less to the absence of information and more to insufficient employee interest or engagement with available materials. These results point to the importance of stronger communication regarding development opportunities and greater encouragement of employee participation in HR initiatives.

Employee perceptions regarding company investments in training and development programs were also examined. Respondents were asked whether the company invested sufficiently in employee training and development. A total of 93% of respondents answered this question. Nearly 70% expressed satisfaction with the company's investments in training and development activities. These findings indicate that most employees recognize organizational efforts directed toward professional development and competency improvement. Such investments contribute not only to individual development but also to organizational efficiency, innovation, and long-term competitiveness. Nevertheless, the remaining percentage of dissatisfied respondents indicates the possibility for additional improvement regarding the availability, frequency, or scope of training programs. These results highlight the importance of aligning development strategies with employee expectations and organizational objectives.

Another part of the research focused on employee participation in education and training programs. Employees were asked whether they had participated or were currently participating in any education or training activity. Out of 150 respondents, 121 employees answered positively, which represents more than 80% of the sample. This result represents a positive indicator of both organizational commitment to employee development and employee readiness to improve their professional competencies. High participation rates suggest that training and development activities are integrated into organizational culture and recognized as important elements of career advancement and work performance improvement. The findings also indicate that existing training policies produce positive results and should continue to be developed further. The final survey question examined employee perceptions regarding the HRM model applied within Wiener Städtische. Employees were asked whether they considered the company's HRM model traditional or contemporary. The results show that approximately half of the respondents perceived the company as applying a contemporary HRM model characterized by strategic planning, continuous training, employee involvement, and alignment with international standards. The remaining respondents either perceived the organization as operating under a more traditional model or were unable to clearly identify the prevailing approach. These findings suggest that contemporary and traditional HRM practices may coexist within different organizational sectors or management levels. The results also indicate the need for more consistent implementation and stronger visibility of modern HR practices throughout the organization. Improved communication and broader application of contemporary HR strategies may strengthen organizational reputation, employee trust, and long-term competitiveness.

CONCLUSION

The research conducted in Wiener Städtische confirms the importance of human resource management in the operations of modern insurance companies. The findings indicate that most employees hold positive attitudes toward organizational climate and teamwork, which represents an important condition for maintaining a stable and motivating work environment. A particularly important result is that 97% of respondents perceive human resource management as a significant factor of company success, which reflects a high level of employee confidence in this organizational function. The analysis also shows that training and education programs are widely accepted among employees. More than 80% of respondents stated that they had participated in some form of educational activity. These findings confirm that the company recognizes continuous employee development as an important source of knowledge improvement, innovation, and organizational competitiveness. However, approximately 30% of employees expressed dissatisfaction with investments in training and development, which indicates the possibility for further improvement, especially through programs adjusted to individual employee needs and expectations. From the perspective of employee motivation, the research indicates that material rewards remain the

dominant motivating factor within the company. This result is common in organizations operating in competitive sectors. At the same time, long-term employee satisfaction and organizational commitment also require the development of non-material forms of motivation, including professional recognition, opportunities for career advancement, and activities related to work-life balance. The findings regarding employee perceptions of HRM models reveal the coexistence of traditional and contemporary approaches. Half of the respondents recognized the application of a contemporary HRM model, while the remaining respondents identified elements of a traditional approach. This result suggests that the complete transformation of HRM toward a modern organizational model requires additional improvement in communication, procedure standardization, and consistent implementation of HR practices throughout the company. The research confirms that investments in human resources should not be observed only as organizational costs, but also as long-term investments in organizational development and stability. Future research may include comparative analyses with other companies in the insurance sector, longitudinal studies examining the influence of HR policies on employee performance, and qualitative analyses focused on motivation and organizational culture. Such approaches may contribute to the development of management strategies directed toward organizational efficiency and sustainable competitive advantage based on human capital.

The verification of hypotheses produced several important findings. The hypothesis stating that investments in training and professional development positively affect employee satisfaction and motivation was confirmed, since 70% of respondents expressed satisfaction with such investments and more than 80% participated in training activities. The hypothesis that human resource management is perceived as a key factor of company success was also confirmed because 97% of respondents evaluated HRM as highly significant. The hypothesis that material rewards represent the primary source of employee motivation was confirmed as well, given that 85% of respondents identified financial incentives as the main motivator. The final hypothesis, which assumed that the majority of employees recognize the application of a contemporary HRM model, was partially confirmed. Half of the respondents perceived the company as modern in terms of HRM practices, while the remaining respondents identified traditional organizational elements.

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