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## MARKETING OF NONPROFIT ORGANIZATIONS IN THE EDUCATIONAL SYSTEM

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*Освіта є одним з основних прав людини і загальних людських цінностей. Освіта й виховання незаміними у сфері майбутнього економічного розвитку суспільства, вони мають значний вплив на культурний рівень населення та майбутнє економічного прогресу суспільства. Нині приділяється велика увага якості та доступності послуг у галузі освіти, про що йдеться в стандартах громадських освітніх послуг. Неприбуткові організації є невід'ємною частиною громадянського та демократичного суспільства. Для кожної організації, прибуткової чи неприбуткової, важливо, щоб вона знайшла своє місце й утрималася на ринку. Якщо вона спрямує свою діяльність на потреби й вимоги ринку, їх задоволенням вона досягає своєї мети.*

*Ключові слова: маркетинг, освіта, неприбуткові організації Словаччини.*

Marketing is a scientific discipline which has been developed over the last several decades showing an impressive intersection in many new and untraditional areas. The conception of marketing renders high adaptability and flexibility which are connected with spreading its applications and principles into different and completely new areas of social activities . Marketing management

can be efficiently used in both profit and nonprofit organizations. After a successful application of marketing in classical areas including business, we can say that marketing found fulfilment in the area which is the public sector, which also includes active non-governmental nonprofit organizations.

Present-day marketing is a result of generalized positive practice, former economic practice and therefore is a possible theoretical solution which may be applied as a solution to many present-day problems of organizations which are active in competitive environments and also involved in organizations in the public sector.

Marketing went through many development changes and in a specific period where these changes occurred new marketing terms were introduced with specific significance. Classical marketing was supplemented with the following terms such as: services marketing, marketing insubstantiality, political marketing, healthcare marketing, marketing of social ideas, marketing of the tourist trade, financial marketing, banking marketing, personal marketing, marketing of religious organizations, marketing of cultural organizations (for e.g. galleries, theatres, libraries, artistic groups, museums), marketing and mass media and finally, marketing for foundations, charities, non-investment funds and nonprofit organizations providing public services.

From the point of view concerning needs for practice nowadays in the field of activities of nonprofit organizations emphasis is put on problems regarding effective application of marketing and its model solutions. That is why we consider this field extraordinary from the point of view of empirical access towards exploratively oriented tasks from the point of view of a theoretical basis.

Determination of these applications use several terms. The most commonly used in this field are: nonprofit marketing, marketing in the public sector, marketing of nonprofit organizations. More specific terminology is used in applied areas, for e.g. marketing of non-governmental organizations, or marketing of non-governmental nonprofit organizations. This term is connected with problems found in my article.

In today's world it is a time marked by the fast development of marketing systems, new information technology which offers many options and puts special emphasis on competitive firms, which constantly focus on one objective, which is to acquire and keep clients. This goal can only be reached by companies which can predict and satisfy wishes, needs and requirements of their clients.

Slovakia is a country which has made considerable progress in the areas of social and economic changes and it is a country accustomed to effective marketing thinking. Many new companies, especially state supported organizations such as hospitals, schools etc, still have the misconception that customers are always looking for them, so there is no need to spend money in order to entice new customers. If a firm wants to stand out in the competitive fight they must persuade their customers that only their products and services are favourable (meaning better than their competitors) thereby they should use their products and their services.

Based upon this subdivision of this classification of economic activities it is difficult to determine exactly where nonprofit organizations belong. They are part of the third sector which include the area concerning services, but according to this division profitable organizations also belong to this sector as far as financial institutions, state administration and other smaller organizations are part of these public institutions. That is why integrated nonprofit organizations are more qualified from an institutional point of view in systems of national funds.

Slovakia's nonprofit sector from an economic point of view has developed more slowly compared to other central European countries for e.g. Hungary and the Czech Republic. The reason for this condition is its effort to keep centralized state control, which results in keeping this nonprofit sector in Slovakia from being able to offer key social services in previous years. In spite of this nonprofit organizations recently tried to become more flexible, unified, and reliable with a highly effective mechanism concerning civic education and participation, which has led to the development of a more democratic society.

Slovakia's nonprofit sector plays an important role in the Slovak economy but it is relatively slower than nonprofit sectors in other parts of the world. It has both social and political significance and that is why its economic power is constantly growing.

In the marketing of nonprofit services in Slovakia, nonprofit organizations perform and enter into competitive relationships, but they must comply with the following conditions:

- They are either private or non-governmental – they are institutionally separated from the state;
- They are organizations – they have institutional behaviour and structure;
- They are nonprofit – created or gained profit is not shared among promoters, management, employees, but is used for the further development of the organization;
- They are independent – making their own decisions about issues;
- They are voluntary – membership is not required by law and members voluntarily offer their time, money or gifts to this organization.

Organizations which comply with the previous mentioned

conditions implement their activities in different areas. Areas in which they are active form the structure for marketing nonprofit services. These following areas and subjects are involved:

- area of culture and recreation
- area of education and research
- area of healthcare
- area of social services
- area of the environment and animal protection
- area of development and housing
- area of protection of group and individual rights
- area of charities
- area of international organizations
- area of church and religious societies
- area of business and professional associations/professional unions

The legal system in Slovakia does not contain a specific defined entity related to the nonprofit sector (third sector) nor does a law exist, or legal norms which generally define the basic outline of activities and relationship of the nonprofit sector towards other subjects regarding law. That is why it is possible to come to the conclusion that the third sector is not a part of the constitution of the Slovak Republic. This entity can be used to outline specific institutional life in society. Using this term does not have a long tradition and it is closely connected with the post-modern understanding of the relationship between society and the state, which is based upon the principle of diversification of interests, as well as their forms and how they are implemented.

Each form of nonprofit and non-governmental organization is independently defined and is governed by law, which is specialized for specific organizations. In the Slovak legal system there are four basic types of independent, nonprofit, and non-governmental organizations, which are all defined, but the criteria of the division of these institutions in this case is from a subjective point of view. According to this point of view basic subjects are divided between juridical and physical persons. (Even after the creation of juridical persons it is possible that one of the members can be a physical member.) These juridical persons are divided into the following:

organization of the association of physical and/or juridical persons:

- civil association (law number 83/1990 legal code concerning association of citizens, version of law number 360/1990 legal code, 513/1990 legal code, 62/1993 legal code, 274/2009 legal code);
  - nonprofit organizations providing general benefit services (law number 35/2002 legal code concerning nonprofit organizations providing general benefit services).
- organizations which compile assets:
- foundation (law number 34/2002 legal code concerning foundations);
  - non-investment funds (law number 147/1997 legal code concerning non-investment funds).

Citizens rights concerning unification which is guaranteed in the Slovak Constitution article 29 law concerning civil associations.

The constitution does not involve association in :

- political parties (law number 424/1991 legal code concerning association in political parties);
- church and religious societies (law number 308/1991 legal code concerning freedom of religion and status of church and religious societies);

It also does not involve subjects, which are connected because of business activities. Independent laws also modify activities of professional and non-professional associations, which include the Slovak Red Cross, Slovak radio and television broadcasts, Matrix Slovak, health insurance, state special-purpose fund and the hunting and fishing associations. Activities of international organizations are regulated by law number 116/1985 legal code concerning conditions of activities of organizations with international elements, version of law number 157/1989 legal code. These organizations can be registered according to the law concerning foundations, non-

investment funds and nonprofit organizations.

The legislative outline concerning the nonprofit sector in Slovakia has become subject to many changes in the last decade and the future is open for even more changes.

The nonprofit sector is not part of the Constitution of the Slovak Republic at present as was mentioned previously, but there are law and law norms already mentioned which work unsystematically which results in confusion because a basic consensus does not exist in regards to tasks that the nonprofit sector should fulfil. It is said and understood as a supplement of traditional sectors, which are divided into public areas.

An overview of the last period showed many changes accepting laws concerning nonprofit organizations and foundations. Many discussions are held and new proposals suggested regarding new law norms which should modify the existence of foundations, non-investment funds and nonprofit organizations. The Ministry of Interior in Slovakia predicts submission of an amendment to a law related to civil associations. However, it still does not contain an outline of exact character and tasks in the nonprofit sector as a unit.

At present legal framework in the third sector is various and fragmented into many independent legal norms which causes problems with its application in practice. Another overview already mentioned regarding nonprofit sectors described the division of people and assets. This division could be used as a foundation to establish two law subdivisions, foundation law and federal law as it is in the Czech Republic.

Non-governmental and nonprofit organizations „abbreviated form NNO to be used from now on“ belong to the subject of marketing for which the primary economic aim is making a maximum profit or quantity measurement, but rather to attain a maximum value of customer satisfaction which shows the effectiveness of work, effective precautions, successful exchanges between producers and customers. They provide services and public goods which are not provided by neither state nor market. These services are humanitarian, social, educational, informative, legal and also organizational connected with socio-economic development, technical connection with different groups, professions and different areas.

Making a profit in NNO is understood as a need for fulfillment of the basic mission of this organization, which is satisfaction of its public intentions. Realisation of these intentions require some financial funds which are necessary and NNO obtains them from different sources:

- public sources – domestic (direct and indirect support from state)
- foreign (programmes ISPA, SAPARD, Phare);
- private sources – domestic (from physical persons, firms, foundations);
- foreign (physical persons, firms, foundations);
- own sources

The nonprofit sector is important provider of services in the area of education, and I can say it is a foundation with very strong roots in society. Among all of its tasks I can mention some examples:

- brings new alternative access, which a state organization is unable to provide
- makes up for shortcomings in services offered, which public administration cannot cover
- scope, because nonprofit organizations are able to be active even where commercial firms fail because of a lack of profit

Overall, we can say that activities of nonprofit sectors are considerably dependent on professional workers who are active in specific areas related to the role of the nonprofit sector, either at the highest political level or state administration has been discussed for a long period of time. So, the relationship between the state and NNO can be described as a rivalry.

The reason it is described as such is because the state does not view NNO as a partner which can solve problems in social or cultural areas. The state views NNO as a supplicant always asking for financial support.

Furthermore, the relationship and cooperation between the state and NNO is improving because regional government realized the importance of cooperation with NNO, especially in the preparation of projects for obtaining financial support from European Union Funds.

Nonprofit organizations are able to provide a variety of activities. One of the most important is to provide public services.

### Література і джерела

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*Образование является одним из основных прав человека и общих человеческих ценностей. Образование и воспитание незаменимы в сфере будущего экономического развития общества, они имеют значительное влияние на культурный уровень населения и будущее экономического прогресса общества. Сейчас уделяется большое внимание качеству и доступности услуг в области образования, о чем говорится в стандартах общественных образовательных услуг. Неприбыльные организации являются неотъемлемой частью гражданского и демократического общества. Для каждой организации, доходной или неприбыльной, важно, чтобы она нашла свое место и удержалась на рынке. Если она направит свою деятельность на потребности и требования рынка, их удовлетворением она достигает своей цели.*

*Ключевые слова: маркетинг, образование, некоммерческие организации Словакии.*

*Education is one of the basic human rights as well as general human values. The educational system and upbringing are irreplaceable in the area of the economic development of society in the future whereby they have a strong influence on the educational level of the population and also on the future economic development of society. At present there is a strong emphasis on quality and availability in regards to educational services, which is mentioned in the standard of public educational services. Nonprofit organizations are an important part of a civic and democratic society. It is important for both profit and nonprofit organizations in order to maintain and keep up in today's market. If its activities are focused on the needs and requirements of this marketing a satisfactory level will be attained which means achieving their goals. In order for this marketing to be effective it is important for these organizations to focus on basic marketing tools.*

*Key words: marketing, education, non-profit organizations in Slovakia.*