#### SOCIAL SCIENCES

# KEY PROBLEMS OF STAFF MANAGEMENT AT ENTERPRISES AND THEIR SOLUTIONS WAYS

#### Oleksandr Temchenko

Prof. DSc, Kryvyi Rih Economic Institute of Kyiv National Economic University named after Vadym Hetman,

e-mail: temchenko\_oa@kneu.dp.ua, orcid.org/0000- 0003- 0020 – 2430, Ukraine Nataliia Shevchuk

Associate Professor, PhD, National Technical University of Ukraine "Kiev Polytechnic Institute Igor Sikorsky",

e-mail: nata 520522 @gmail.com, or cid.org/0000-0003-0355-9793, Ukraine

### Tatyana Morhun

MA, Kryvyi Rih Economic Institute of Kyiv National Economic University named after Vadym Hetman,

e-mail: taniamorgyn@gmail.com, orcid.org/0000-0002-8910-0563, Ukraine

**Abstract.** The article is devoted to the research of the problem of staff management in modern enterprises. The impact of efficient human resource management on economic development of enterprises is considered. The peculiarities of the formation of the management system of labor resources of the organization in the conditions of uncertainty of demand and sales of goods are revealed.

**Keywords:** staff, staff management, personnel, enterprises, management system personnel, efficiency, competitiveness, chain of values management personnel.

DOI: http://dx.doi.org/10.23856/3201

#### Introduction

In modern conditions of a market economy, among the diversity of problems associated with ensuring sustainable successful development of business organizations, one of the main is the problem of effective personnel management. It is clear that in the near future the best development will be achieved by those organizations that make the main focus on human resources and intellectual capital management. Staff development is one of the most important components of overall performance enhancement, especially in the context of economic instability. It is possible to achieve high results only when people have the necessary abilities and competences, knowledge, skills and purposefulness. Education and training of personnel must be continuous and provide continuous professional development and new skills.

The purpose of the article is to analyse the theoretical principles of personnel development management and to classify the factors influencing this process in order to improve the efficiency functioning business organizations.

In the work the following research methods were used: system analysis, synthesis (for revealing theoretical, methodological and applied problems formation of the mechanism of personnel management) and comprehensive method of assessing the competitiveness of goods.

## Analysis of recent research and publications

In the organizational activities of the modern entrepreneurial organization, motivational aspects become more important, because its commercial success depends primarily on the extent to which employees realize their professional potential. Despite the fact that there is a large number of motivational theories and incentive schemes, for most managers of different organizations, the problem of effectiveness and the introduction of an effective motivational mechanism for staff in the process of strategic management remains very relevant, especially given the uncertainty of further functioning.

The theoretical aspects of personnel development management were studied by a large number of scientists, in particular: Bisvas P. (Godfroid, 2017), Savchenko V. (Balabanova, 2011) et al. and other. Among the scholars, the last ten is worth highlighting F. Lemin (Ali-Khan, 2017), O. Mitrofanova (Balabanova, 2011), M. Adamenko (Adamenko, 2018), S. Hushko (Hushko, 2018) and others who were engaged in the study of the specifics of the formation and improvement of the motivational mechanism in modern enterprises, as well as the modelling of management activities of the organization, taking into account the influence of implicit factors in business processes. At the same time, due to the complexity and multidimensionality of this problem in the difficult conditions of economic instability of today, there are important issues in personnel management in business organizations that require some clarification and additions.

V.M. Kochetkov argues that the mechanism of effective motivation of labor is an integral part of enterprise management and should contain a complex of directions of management influence and elements, which are allocated depending on the goals of the enterprise (Kochetkov, 2013).

Today, the main problems encountered in the management of personnel in business organizations are, first of all, the selection, the formation of personnel with modern economic and creative thinking, ensuring the efficiency of work the employers, maintaining a favorable climate in the team and many others. It should be noted that human resources management should be consistent with the development of the organization, protect the rights and duties of employees, ensure compliance with the rules in the formation, stabilization and use of human resources and increasing the importance of intellectual capital.

Having analyzed the scientific sources on the chosen topic, it is possible to systematize the main problems in personnel management (Fig. 1).

Consider the ones shown in Fig. 1 constituent problems in the context of personnel management in modern business organizations, taking into account the uncertainty about the prospects of maintaining the number of employees, the volume of sales of goods and the subsequent successful operation of the firm as a whole (Zakirova, 2017).

1. The problem of an excellent student. Usually the best employee of the company is appointed by the manager. The refore, many such managers have knowledge only in their industry and superficially know the technology of management, and accordingly admit significant mistakes in personnel management, especially in the context of reorganization of activities.

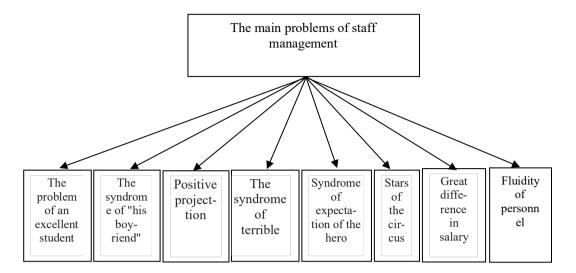


Fig. 1. The main problems in the context of modern staff management Systematized by the authorson the basis of sources (*Balabanova*, 2011)

- 2. The syndrome of "his boyfriend". The role of staff management initially has a confrontational nature in relation to employees. Not all subordinates like that they are given extra work and there are additional new problems. The manager has to deal with the emerging resistance and it is psychologically difficult for employees to deal with conflicts with other employees.
- 3. Positive projection. There a desire to attribute to other people their own character traits.
- 4. The syndrome is terrible. Employees often closely follow the leadership. Sometimes many executives consciously emphasize the distance between themselves and the staff. As a result, if the boss maintains control, then is only at the level of stringent requirements.
- 5. Syndrome of expectation of the hero. Considering the complaints and claims voiced by the bosses regarding the staff, we can assume that subconsciously many of them are waiting for a hero who can solve all the problems at the expense savvy.
- 6. Stars of the circus. The head of management believes that if an employee receives a high salary, then he needs a lot of work to do.
- 7. Great difference in salary between the head and the employee. In Ukraine, this difference is quite tangible, and in the countries of Western and Central Europe this difference is approximately 30%.
- 8. Fluidity of personnel. Typically, staff turnover can be controlled for a number of reasons, including wrong formation of staffing schedule of employees and ineffective salary distribution.

It is worth noting that in Ukraine most employers have not yet fully realized the importance of non-material motivation in working with staff, although each manager should realize the importance of these methods. Often, the causes of the failures of firms and companies are not often only significant errors in economic calculations, but also insufficient motivation of employees of a modern company.

Table 1
Signs of the effectiveness of personnel motivation of the system

Signs of the effectiveness of the system of	Signs of the ineffectiveness of the system
motivation	of motivation
Stable results	Low or unstable results
Regular execution of tasks	Periodic execution of tasks
Low staff rotation	High rotation of the staff, where most of the
	employees are retired on their own
The willingness of employees to come to the	Indifferent attitude to work, lack of mutual
aid of colleagues and the management of a	help
company or enterprise	
Vigorous and creative workers who are	Resistance to change and the constant
ready to participate in the changes which are	availability of complaints and threats of
being carried out	dismissal

Systematized by authors on the basis of sources (Zakirova, 2017)

Consequently, for the successful activity of a business organization there is an objective need to use modern methods of material and non-material incentives for employees. The mechanisms of motivation used today are not perfect, but they are quite effective and are actively applied in practice (Halldorsdotti, 2018). Therefore, in order to ensure effective performance, the indicators of material motivation should be compared with the objectives of the business, providing incentive schemes for the implementation of specific tasks and the implementation of general plans of the business organization. In the general sense, the modern system of personnel motivation must contain the components shown in Fig. 2.

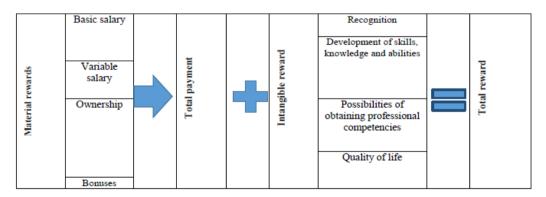


Fig. 2. Components of the general system of personnel motivation Systematized by authors on the basis of sources (*Balabanova*, 2011)

It is the effective management, which according to A. Thompson and A. Striklenda makes it possible, by creating the key advantages of the firm, to turn them into a competitive advantage. In this case, the formed chain of values should be considered as the most important tool for strategic analysis of the cost of activities. A scientist A. Slavgorodskaya, extrapolated

this concept to a strategic analysis of the costs planned for the functioning of different subsystems of staff (Figure 3).

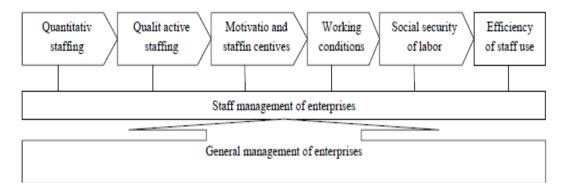


Fig. 3. Chain of values for enterprise management

Systematized by authors on the basis of sources (Luhova, 2011)

In our opinion, this approach is strategically important from a practical point of view. Using the concept of the chain of values can identify those activities that are crucial for the achievement and maintenance of competitive advantages of the staff in order to increase the competitiveness of the company, and also provides an opportunity to conduct a comparative assessment of the possible costs of the organization to improve the efficiency of the qualitative and quantitative personnel of the enterprise (Godfroid, 2017).

After analysing the peculiarities of personnel management in entrepreneurial organizations of the Dnipropetrovsk region, one can draw a number of conclusions takes example of a network of retailers of women's and men's footwear (Luhova, 2011). In particular, the system of personnel motivation in most small business organizations in the conditions of uncertainty of demand and volumes of implementation of the proposed assortment is not perfect.

The most common problems with the effective use of personnel of organizations are:

- 1) specialists of the same level in different departments receive different remuneration;
- 2) different wages of employees of the same level who are taken to employed work at different times (Maslak. 2010):
- 3) the majority of small organizations are interested in paying their employees only the minimum salaries (salaries corresponding to the size of the minimum wage in accordance with the current legislation), and not to change them in accordance with the general tendencies of the world labor market development, which testifies that perhaps the firms are not willing and timely monitoring of the labor market;
- 4) compensation of low salaries at the expense of various allowances for the performance of direct official duties;
- 5) the pay system is opaque for managers of the lower level and has a large number of components, which greatly complicates the payroll process (*Ali-Khan*, 2017).

These problems impede the creation and successful development of small firms in Ukraine, while the system of motivation of personnel should help to improve the performance of a particular organization by directing the efforts of the personnel to achieve the set goals. Unfortunately, there is still no universal algorithm for structuring and ensuring an adequate

level of remuneration for the personnel of business organizations in the conditions of economic instability and limited financial capacity of potential buyers of goods and as a consequence of the difficult to predict sales volumes.

#### **Conclusions**

Consequently, following the investigation of theoretical principles of management of personnel development in modern organizations and the classification of factors influencing the increase of the efficiency of this process, we can draw the following conclusions: taking into account the enhancement of the motivational component of the firm's head to improve the efficiency of further functioning it should be remembered that it is not necessary to motivate all employees equally. Also, in the list of incentives it is expedient to include a compensation package, whose role is very important for employees with a rather low level of wages. In particular, with the help of the compensation package you can: control the staff turnover; increase motivation of staff; increase labor productivity indicators; to attract the best and creative workers to the organization; to provide favourable socio-psychological climate in the team; create a positive image of the organization on the market. In our opinion, managers of modern business organizations, when forming a compensation package, must first of all take into account the individual needs of staff (Aliekperova, 2018). An individual approach to determining the composition of the compensation package will effectively motivate employees. It is also worthwhile for top-managers of the company to pay more attention to optimizing the expenses of management of personnel development in order to implement the mechanism of justification and structure of expenses for the organization's innovation activities in the conditions of uncertainty, which combines its functional areas, in particular marketing, production and sales of goods, organizational structure.

#### References

Adamenko, M., Pasichnyk, N., & Polishchuk, I. (2018). Conceptual framework of innovative capacity management of enterprise personnel. Scientific Journal of Polonia University, 27(2), 72-78. DOI:10.23856/2708. [in English].

Aliekperova, N. (2018). Motivating factors effecting work efficiency of empoyees in Ukrainian pharmaceutical sector. Economics & Sociology, 11(1), 61-74. DOI: 10.14254/2071-789X.2018/11-1/4. [in English].

Ali-Khan, S. E., Harris, Liam W., Gold, E. R. (2017). Point of View: Motivating participation in open science by examining researcher incentives. ELIFE, 1/6 (e29319), 35-40. DOI: 10.7554/eLife.29319. [in English].

Balabanova, L. V., Sardak, O. V. (2011). Management of the personnel of the enterprise in a market economy. Kyiv: Centr uchbovoyi literatury`. [in Ukrainian].

Godfroid, C. (2017). Are Microfinance Loan Officers Closer to Banking Staff or to Non-profit Workers? A Motivational Approach. Strategic change-briefings in entrepreneurial finance, 26(2), 117-132. DOI: 10.1002/jsc.2114. [in English].

Halldorsdottir, S., Edvardsson, I. R. (2018). Effects of cutbacks on motivating factors among nurses in primary health care. Scandinavian journal of caring sciences, l/32 (1), 397-406. DOI: 10.1111/scs.12474. [in English].

Hushko, S., Kryshtopa, I., Temchenko, O., Temchenko, H., Maksymova, I., Huk, O. (2018). Modelling of management activity of organizations considering the impact of implicit factors in business-processes. Eastern-European Journal of Enterprise Technologies, 1/3 (91), 13-21. [in English].

Kochetkov, V. M., Khomenko, I. M. (2013). Features of application of tools of motivation of labor in personnel management of machine-building enterprises. Effective economics, 12, 135-138. [Electronic resource]. Retrieved from: http://www.economy.nayka.com.ua/?op=1&z=2594. [in Ukrainian].

Luhova, V. M., Syerikov, D. A. (2011). The present state of research of problems of motivation in dissertations of Ukrainian scientists. Economic development, 1 (57), 92–95. [in Ukrainian]. Maslak, O. O. (2010). Strategic aspects of personnel management. Naukovyy visnyk NLTU Ukrayiny, 20(6), 72-83. [in Ukrainian].

Zakirova, L. M., Burganova, N. T., Khamitova, L. M. (2017). Motivating and demotivating factors portrayed by an individual in the teaching process. 3rd international forum on teacher education, 29(1), 897-907. DOI: 10.15405/epsbs.2017.08.02.103. [in English].