

LABOUR ECONOMICS, PERSONNEL MANAGEMENT AND MARKETING

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MECHANISM FOR PROVIDING INNOVATIVE DEVELOPMENT OF THE SINGLE STATE MECHANISM OF REGULATION AND IMPROVEMENT OF PROACTIVE MANAGEMENT GENERAL PROBLEM RESOLUTION

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The article analyzes the current areas of human resource management. The problems arising from the introduction of a new format of management and proactive management are identified, the advantages and disadvantages of the digital economy and the use of Smart working in human resource management are identified, it is proposed to create a digital institutional environment of the economy which would regulate remote relations. The basic elements of the mechanism of state regulation of the national labor market are studied. The mechanism of the single state mechanism of regulation and improvement of proactive management of labor resources is offered and efficiency from application of means of digitalization is defined.

МЕХАНІЗМ ЗАБЕЗПЕЧЕННЯ ІННОВАЦІЙНОГО РОЗВИТКУ ЄДИНОГО ДЕРЖАВНОГО МЕХАНІЗМУ РЕГУЛЮВАННЯ ТА УДОСКОНАЛЕННЯ ПРОАКТИВНОГО УПРАВЛІННЯ ТРУДОВИМИ РЕСУРСАМИ

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Ключові слова:

трудові ресурси, інноваційний розвиток, цифрова економіка, цифрові технології, он-лайн робота, управління персоналом, дистанційне управління, механізм управління трудовими ресурсами.

У статті проаналізовано сучасні напрями управління трудовими ресурсами. Визначено проблеми, що виникають при впровадженні нового формату управління та проактивного управління, виявлено переваги і недоліки у результаті впровадження цифрової економіки та застосуванні Smart working в управлінні трудовими ресурсами, запропоновано створити цифрове інституційне середовище економіки у вигляді стандартів, законів, норм і правил, які б регулювали дистанційні відносини. Досліджено базові елементи механізму державного регулювання національним ринком праці. Запропоновано механізм забезпечення інноваційного розвитку єдиного державного механізму регулювання та удосконалення проактивного управління трудовими ресурсами та визначено ефективність від застосування засобів цифровізації.

General problem resolution

The research issue is extremely relevant because companies start to move to Smart working due to the rapid digitalization. New technologies and improvements in existing technologies are a key factor in the development of Smart working, which includes a wide range of tools such as the Internet, smartphones, social networks or any application designed to facilitate the flexibility and mobility of staff.

Considering the new format of management and the introduction of proactive management, companies have

faced a number of problems that need to be studied in the light of modern conditions. Moreover, there is a need for new systems, controls, management mechanisms that would determine the conditions and standards of business entities in a modern format. In addition, it should be noted that during digitalization, it is important to create a digital institutional environment of the economy in the form of standards, laws, norms and rules.

Given the peculiarities of the economy and society digitalization and taking into account the risks that may be faced by key industries and the economy as a whole it is

worth highlighting the digital capabilities of the mechanism of state regulation. The effective functioning of the labor market depends on it and it is important to create a single state mechanism for regulating and improving proactive management of labor resources.

Analysis of last researches and publications

Analyzing the works of scientists and economists, in the sphere of proactive management and management of labor resources in terms of digitalization, we should highlight the works of O. Pankova, O. Kasperovich [1], O. Myronenko [2], L. Gorodyanskaya [3]. However, it should be noted that the analyzed works do not take into account the current conditions of economic entities, the current state of the economy and the pandemic respectively but there are debatable aspects that need further studying.

Formation of research purpose

The aim of the article is to identify current areas of labor management, classify advantages and disadvantages of digital economy and the use of Smart working in labor management, explore the basic elements of the mechanism of state regulation of the national labor market and propose a mechanism for innovative development of a single state mechanism.

Study results

Labor management relations are governed by rules established on digital platforms, which primarily protect the interests of customers and ensure the safety and profitability of the platform itself.

Questions of online work need a separate study, but we will briefly dwell on this issue. The fact is that online work on digital platforms can improve the financial situation of employees, for 25% of those employed on Internet platforms it is the only source of income. Job shortages in the region and low wages are the main reasons for the growth of informal employment on digital platforms.

The emergence of new forms of employment is a positive phenomenon. In conditions when the state cannot overcome the high level of unemployment and offer decent wages in all regions and spheres of activity, the informal labor market provides financial support to the population. Social protection in the form of protection against non-payment of work performed, high commissions and abuse on digital platforms should be provided regardless of whether social security contributions and taxes are paid by the employee or not. Digital platforms independently determine the rules of work, the mechanism of payment for the opportunity to work on the platform, registration and protection of the employee's account, and these rules do not always comply with the provisions of labor law. There is no state control and protection of labor relations on digital platforms, but it must appear to comply with labor rights and minimum state guarantees in the field of labor. These and other issues should be researched as a separate scientific study.

In connection with the restructuring of the labor market and the emergence of new "digital jobs" models of human resource management are changing, shifting the focus

towards the formation of HR-brand, the introduction of HR-analytics and recruitment marketing etc.

An important place is occupied by the HR-brand, thanks to which it is possible to attract professional staff, retain the best employees and increase their involvement. According to different researches, most candidates study a company's reputation before sending CV.

Paying attention to the fact that most new job in the global economy is going to be created through "digital professions", much of the top managers attention is focused on smart recruitment. This means constant monitoring of trends in the labor market, changes in the desires and preferences of potential candidates, the formation of personalized proposals etc.

In this context, the outflow of skilled labor resources from the country is becoming threatening for Ukraine, especially given the growing global competition of companies for highly intelligent professionals. According to official data, the number of employed people in the country is steadily declining and, accordingly, the quantity and quality of labor resources, too. One of the main reasons for this situation is the dissatisfaction of Ukrainians with the level of wages. These and other reasons provoked an increase in the flow of labor abroad.

According to various estimates, at least 3% of Ukrainians plan to work abroad and do not want to return. Also, about 9% of the population intend to work abroad, but with further return to Ukraine [1].

The study of a specialist portrait in 2019 characterizes different migratory moods. The leading countries in terms of emigration are the United States, Canada, Poland, Germany, the Netherlands, and the United Kingdom. The average age of emigrants is 29 years. Among those who left, 19% of respondents will not definitely return to their country, 42% – most likely will not return.

Among the main reasons that may affect the desire to return to Ukraine, respondents named the increase in living standards in the country, family reasons, the end of hostilities, the offer of high-paying jobs and interesting work from a professional point of view.

According to O. Pankova and O. Kasperovych, the system of structural transformations of employment in Ukraine at the present stage is determined by a large number of factors, the main of which are globalization, transition from market economy to digital economy, European integration, introduction of new technologies, technology and informatization of labor (Industry 4.0.), change in property relations, the effectiveness of socio-economic and educational reforms, the transition from industrial to information and digital technologies (digitalization as a global trend that radically changes approaches to labor organization and leads to radical transformations of the labor market worldwide), the growing importance of the quality of human capital as a factor in the competitiveness of the economy [2].

Under the influence of these factors, the formation of new sectorial, department proportions in employment takes place, as well as the expansion of the scope of highly skilled intellectual work. These processes significantly affect the social protection of workers and require the

development and implementation of flexible social protection mechanisms, suitable to the new conditions.

It should be noted that one of the most important stages of the enterprises transition to digital format is the remote management of human resources, so proactive management could be defined as one of the tools for effective staff management.

Modern world trends in the field of labor management are primarily due to the globalization of the national economy and the convergence of labor standards, rights and guarantees determine a number of modern areas of labor resources (Table 1).

All modern types of work listed in the table can be combined in one term under the name Smart working. Smart working is a contract that gives the entrepreneur more flexibility in managing the workforce (labor resources) due to a flexible work schedule; workplace flexibility; creation of a system of remuneration based on the results of work, etc.

Also, due to the rapid digitalization, companies are beginning to move to Smart working. New technologies and improvements in existing technologies are a key factor in the development of Smart working, which includes a wide range of tools such as the Internet, smartphones, social networks or any application designed to facilitate the flexibility and mobility of staff.

But given the new format of management and implementation of proactive management, companies faced lack of rules, regulations, standards for data collection, classification, storage and use (national, regional, industry and other levels), problems of intellectual property protection, data protection problems, risks of cybersecurity, lack of citizens with sufficient competencies to work with data (digital skills), relevant education, professions, etc.

Thus, there is a need for new systems, controls, management mechanisms that would determine the conditions and standards of business entities in a modern format.

Smart working has become more common in recent years in the private and public sectors, which can play a key role in addressing cost reduction. This step towards Smart Work is supported by new technologies that increase work mobility and legislation encourages flexibility and new design trends in the workplace [1].

Smart working is known as a work model that uses new technologies and the development of existing technologies to improve productivity and job satisfaction, in particular through remote access. But the analysis showed that the introduction of the digital economy in human resource management has a number of not only advantages but also disadvantages.

Advantages in the introduction of digital economy and the use of Smart working in human resource management are increased efficiency, efficient use of limited resources, cost savings, increased productivity due to flexibility of personnel policy, individual regulations, increased time for effective management, increased investment attractiveness to attract additional investment, mobility in space and time, saving time, the ability to work several jobs simultaneously, improving the quality of life through a rational distribution of free time / weekends / holidays, the ability to attract people with disabilities, mobility, automate part of the work, choose a convenient schedule and days for work, the ability to work at night with the consent of the parties.

Disadvantages in the introduction of digital economy and the use of Smart working in human resource management for modern enterprises may be the growth of cybercrime in terms of increasing the number of information systems that use personal data, reducing employment among the population, problems with personnel control, reduced productivity. due to the fact that remote work is not planned or not performed and, as a consequence – reduced quality of results, the dependence of efficiency on the quality of communication, the Internet, limiting live communication and lack of contact with colleagues, partners, reduced mobility, which affects negatively on the state of health, etc.

Analyzing the above, it should be noted that Smart working has more advantages and is more adapted to the conditions of the modern economy, and therefore are relevant in today's labor market, in particular in staff management.

In addition, when examining the features of the new Labor Law, it should be borne in mind that its main aspects are based on the introduction of digital technologies (digital workbooks, work on remote access, etc.), jobs are no longer tied to physical places. They become “digital”, virtual, mobile, those that do not require a permanent presence of the employee in the workplace. The concept

Table 1 – Modern areas of labor resources activity

№	Name	Definition
1.	Cloudworking	Work with services and systems that the company receives from outside. They do not need to install the program on a computer. The simplest example is the cloud email services we use every day such as Google.
2.	Teleworking	Like remote employment, work is performed in a remote location from the use of its results.
3.	Remote employment	Work process that is carried out outside the traditional place of work and involves interaction with the employer through telecommunications and information technology. From the first sight, for many people this kind of work is just a dream.
4.	Crowdsourcing	Practice of getting the services, ideas, or content you need by asking for interactions from large groups of people, especially the online community. In simple words, crowdsourcing is the use of crowd resources
5.	Freelance	Remote work, the essence of which is that a freelancer is the leader and subordinate for oneself.
6.	Coworking	Equipped with all the necessary things for work place, which is given to anyone for the necessary period for practical courses, training online and offline.
7.	Outstaffing	Withdrawal of the employee from the staff of the customer company and its registration in the staff of the contractor company. Thus, the employee continues to work on the former place and to carry out the former duties usually remotely, but duties of the employer are already carried out by the contractor company.

of “digital workplaces” is spreading extremely fast in the business environment and is positively perceived by the vast majority of employees, who are impressed by flexible ways of working, the opportunity to work at home and on vacation. Thus, Smart working is becoming extremely relevant today, but requires a thorough study and creation of a well-established system of management and control over all management processes.

Also, it should be noted that during digitalization, it is important to create a digital institutional environment of the economy in the form of standards, laws, norms and rules, one of which is the decision that digital forms of official interaction should be the first and analogue should be the second, including at the interstate level, as well as at the levels of interaction between states and business, citizens and business, suppliers and customers of goods and services. After all, digitalization allows reducing the amount of initial capital costs for the deployment of the necessary digital infrastructure, through the use of “cloud” technologies and software-defined architecture (“software-defined architecture”) [3].

The combination of market competition and state regulation of the economy is extremely important for the formation of a management system that can be integrated into the world economy in the era of digitalization on a partnership basis. In regulating the economy, it is necessary to strengthen the role of the state, which should take the initiative to develop an economic strategy to stimulate the reproduction of economic resources and moderate its implementation. Therefore, the system of indicative planning that dominates in a country should be effective.

The institutional support for the digitalization of the economy should be based on pragmatism of organizational and institutional action along with social responsibility. Institutionalization of the economic order in the direction of formation and development of the digital economy must take into account the evolution of social values that dominate the economic order of today and is based on quality institutions and creative innovators.

In the near future in connection with digitalization and automation in labor markets there may be revolutionary transformations comparable to the historical transition from agricultural to industrial production by 2030 from 75 to 375 million workers (from 3 to 14% of the global workforce) will be forced to change professions. Economic dividends from digitalization, automation, robotics are likely to go to the owners and producers of the latest technologies, digital business, and a highly skilled competitive workforce. Periods of transition to a new level of social, technological development, European integration processes actualize the demand for active state (and now interstate) policy, which would be able to coordinate and organize the main trends (megatrends) of radical structural, technological, institutional changes.

Given the peculiarities of the digitalization of the economy and society and taking into account the risks that may face key industries and the economy as a whole, it is worth highlighting the digital capabilities of the mechanism of state regulation which depends on the effective functioning of the labor market.

The effective functioning of the labor market at all levels depends on the existing mechanism of state regulation. Such management is an opportunity to take into account European development trends and historical and cultural features of the territories as well as trends in the movement of labor and labor resources etc.

The creation of a single state mechanism for regulating and improving the proactive management of labor resources is a key condition for the sustainable development of the national labor market. At the same time the use of actual labor, local resources and the relationship between supply and demand for labor makes it possible to develop proposals for improving the proactive management of labor resources. It should be noted that the choice of tools and methods to improve proactive management of human resources is one of the strategic directions of public policy.

It is possible to allocate conditions which are necessary for improvement of proactive management of labor resources. They can include functioning of the market system relations, analysis of cause-and-effect results of the dynamics of socio-labor and economic indicators, compliance with regulations, interaction between state and regional authorities, coherence of economic entities, globalization of the labor market, clearness of economic system.

Identification of components that ensure the implementation of a single state mechanism of regulation and improvement of proactive management of labor resources that is a priority in the study of the mechanism of state regulation of the national labor market (Fig. 1).

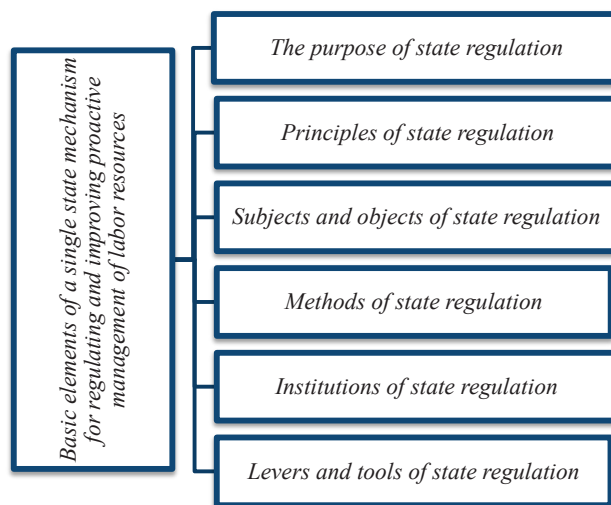


Figure 1 – Basic elements of the mechanism of state regulation of the national labor market

Source: formed by the author

In modeling a single state mechanism for regulating and improving proactive management of human resources such components are the basis that ensures its integrity.

Particular attention needs to be paid to the introduction and support of innovations in the formation of a single state mechanism for regulating and improving proactive management of labor resources. This issue requires a certain state mechanism to ensure the innovative development of the national labor market. With its help, a certain part of

the continuous process of forming integrative management approaches to ensuring human resource management is determined.

Construction of a single state mechanism for regulating and improving proactive management of labor resources is shown in Figure 2.

Thus, the unified state mechanism of regulation and improvement of proactive management of labor resources should be understood as a coherent concept of imperatives, measures and actions that determine the direction of the national labor market. The use of digitization tools will allow:

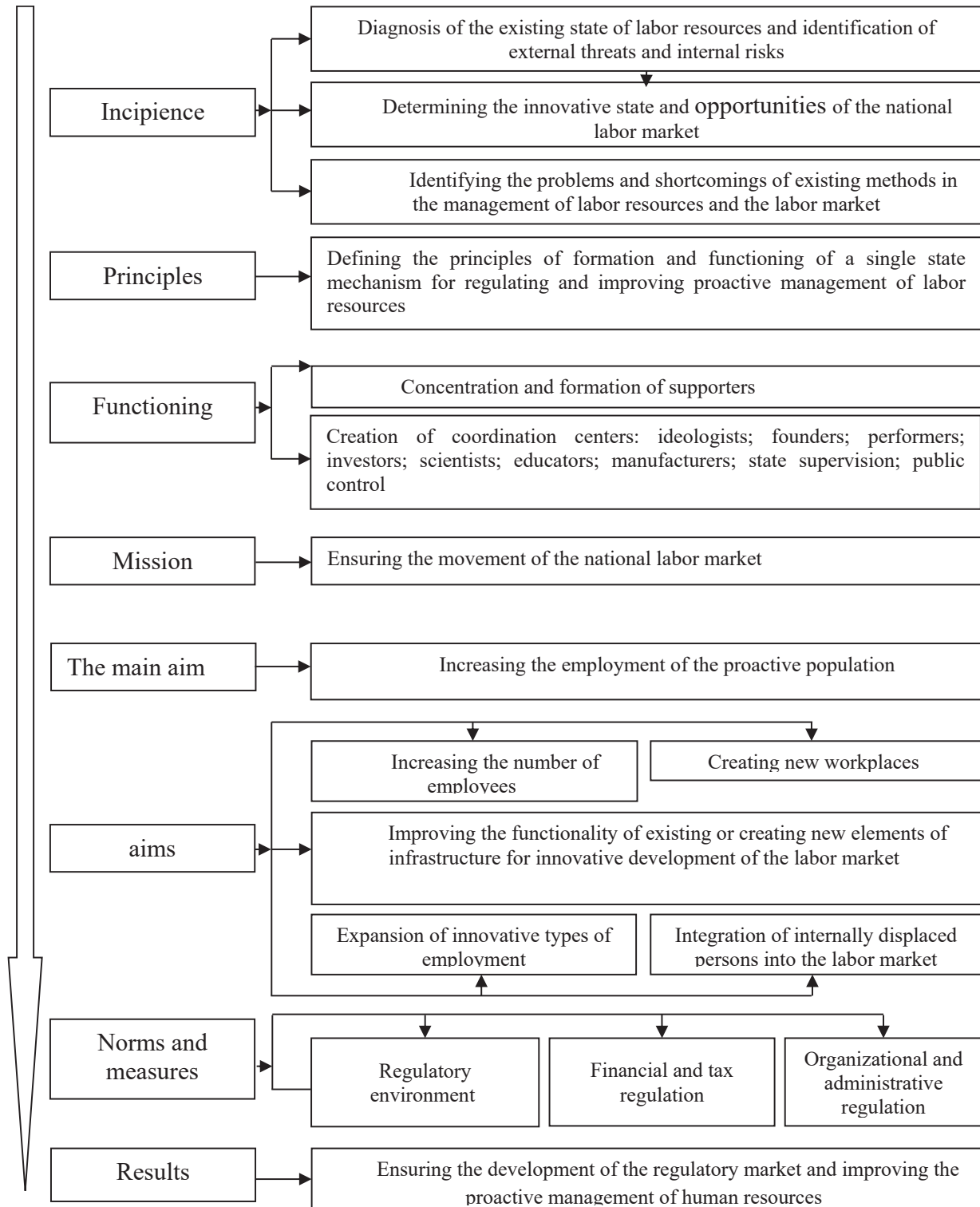


Figure 2 – The mechanism of providing innovative development of the uniform state mechanism of regulation and improvement of proactive management of labor resources

Source: developed by the author

– firstly, to process large arrays of statistical information;

– secondly, to manage the process of their reproduction effectively at the micro and macro levels in order to revive innovation, increase the competitiveness of enterprises and strengthen the potential of the state;

– thirdly, to forecast the directions of high-tech economy development and business.

The priority of changes in the field of labor resources and their management due to digitalization is to shift the knowledge, skills and abilities of employees required by employers. The answer to this fact should be the adaptation of domestic education and vocational training systems to the conditions of the labor market and technological development in the context of digitalization.

A separate challenge for the domestic social and labor sphere, which arises in connection with the digitalization of the economy, are the inevitable changes in the ratio of forms of employment, working conditions in the direction of increasing the share of temporary, part-time employment, employment through digital platforms, outsourcing and more. The new conditions require the development of new approaches to the protection of workers' rights, balancing areas for stimulating economic activity and ensuring social protection.

Today, the prospects given the economic, social and socio-demographic situation in Ukraine look threatening due to the dynamics of the volume and quality of labor potential, external labor migration, the state of science, education, quality of public administration, the country risks of not being able to take advantage of digitalization and ensure its competitiveness. Moreover, the level of threats and current trends in Ukraine transform the issues of the sphere of labor in the conditions of digital transformation to the category of critical for national security.

An indicator of the inefficiency of Ukraine public administration system in the field of labor and related fields is the lack of relevant strategies, but the existence of

still valid concepts of state programs and state programs, the duration of which coincided and the degree of implementation is uncertain.

In order to streamline management imperatives, measures and actions within the implementation of a single state mechanism for regulating and improving proactive management of human resources, it is advisable to create a Coordination Center. The coordination center of the unified state mechanism of regulation and improvement of proactive management of labor resources is a consultative and advisory body. Its main activities are formation, principles, functioning, mission, main purpose, goals, norms and measures, and, of course, the results of market development regulation and improvement of proactive management of human resources.

Conclusions

Thus, the development of labor and employment in Ukraine in the context of digitalization of the economy and society and the transition to Industry 4.0. should take into account social priorities, adherence to the principles of social justice and the development of social and labor potential of the country, and the achievement of economic effect should not lead to increased social threats and negative social effects. Thus, it can be noted that the decision of the enterprise on the application of modern technologies in improving the proactive management of labor resources will have a positive impact on the economic activity of the enterprise. The risks associated with it should be considered separately.

Obtaining the desired effect is possible only after careful planning, implementation and development of promising features of enterprise management in the context of digitalization.

Thus, the use of digitalization will improve the proactive management of human resources in the field of financial transactions and transactions with tangible and intangible assets.

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