

LABOUR ECONOMICS, PERSONNEL MANAGEMENT AND MARKETING

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MODERN PERSONNEL MANAGEMENT SYSTEMS

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In our world, every system involves the formation of something new. This applies to business, social norms, management and socio-economic processes in general. Management in the economic system plays a very important role, but perhaps the personnel management is the most important of these components. Risks that arise both in starting your own business and in creating ideal competition in the labor market should be analyzed and predicted by a management specialist. Modern personnel management systems involve the choice of their own behavior according to the team. It depends on the tasks of the enterprise, as well as on the nature of the businessman. There are currently four main patterns of behavior: liberal, totalitarian, democratic, and authoritarian. The article analyzes the behavior of professionals who start their own business. Then, at the very beginning of the case, first individual and then collective responsibility is formed. The results of this study can be used as for attracting new management decisions to create a more competitive business, as well as for increasing employee productivity and reducing the negative consequences that could result from the wrong approach to employees, and also the fact that there are still Soviet or outdated methods of improving work.

СУЧАСНІ СИСТЕМИ УПРАВЛІННЯ ПЕРСОНАЛОМ

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управління, економіка,
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тип, тоталітарна модель,
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авторитарна система, етапи
управління персоналом,
коучинг, система SMART

Встановлено, що управління в системі економіки відіграє дуже важливу роль, але можливо, найважливішим із цих компонентів є управління персоналом. Доведено, що ризики, які постають і при утворенні власного бізнесу, і при створенні ідеальної конкуренції на ринку праці потрібно аналізувати і прогнозувати спеціаліст з управління. Визначено, що сучасні системи управління персоналом передбачають вибір власної поведінки згідно колективу. Це залежить від завдань підприємства, а також від характеру бізнесмена. Нині існує чотири основних моделі поведінки: ліберальна, тоталітарна, демократична і авторитарна. У статті проаналізована поведінка спеціалістів, які починають свою справу. Тоді, вже на самому зародженні справи – утворюється спочатку індивідуальна, а потім колективна відповідальність. Чим більше підприємство, тим більш жорстку поведінку обирають для управління підприємством та адаптивної версії кожної із моделей і на прикладі проаналізувати та прогнозувати доцільність створення нових методів і підсистем. Результати даного дослідження можуть бути використані, як залучення нових управлінських рішень з метою створення більш конкурентної справи, а також збільшення продуктивності працівників та зменшення негативних наслідків, що могло спричинитись неправильним підходом до співробітників, а також те, що залишилися ще радянські або застарілі методи покращення роботи.

Formulation of the problem

More and more companies are looking for such specialists. But the main problem is and remains that every issue is viewed through the prism of criticism and uncertainty. Even from the point of view of politics, we can say that whoever is the ruler of our state, the people are always dissatisfied. The consciousness of the majority of Ukrainians is focused on the fact that the President of Ukraine must be an ideal person, without flaws and shortcomings, and always do his job perfectly, even without claiming a high salary. But in modern realities there is no such standard. A real good manager made mistakes and learned from them. But there are those who have already learned this. And such managers, as a rule, already have their own capital and a working business that brings good profits. The consciousness of our people, as mentioned above, is narrowly focused, and they believe that the President of Ukraine must, have left his business for five years, completely absorbed in hard work, receive a little more than the minimum wage. But no one, if asked, would work in such conditions. This is the idea that stereotypes from Soviet times exist even in today's realities.

It's time to move on to the main idea. Management in the economic system. What are the modern personnel management systems? Stages of personnel management.

Analysis of recent researches and publications

The works of many domestic scientists are devoted to the study of the problems of the theory and practice of personnel management: O. Herasymenko [6], T. Horodetska [1], O. Hrishnova [2], V. Hryniova [3], M. Dzhaman [4], A. Zelinska [5], A. Kolot [6] and others, but the investigation of modern personnel management practices requires increasing attention.

Formulation of the goals of the article

The aim is to study the basic concepts of personnel management, as well as its models, which will be further focused on specific examples of the application of modern development systems. Filling the lack of knowledge on the study of the stages of personnel management.

Presentation of the main material of the study

The economy is a system of general processes of exchange, distribution and efficient use of resources (production, distribution and consumption of goods and services). It includes many subsystems. But one of the most important is management. The main subjects of the economy are households, individuals, legal entities and the state. But they will not be able to exist without the right system of planning, setting and performing tasks.

Management as a system is a programmed or arbitrary influence on an individual or a team to achieve a certain goal, through a system of processes specified in the rules of the enterprise, internal collective agreement or job descriptions. This is a rule that shows correctly the management of personnel. This system involves the inclusion of concepts such as strategy, purpose, dependence of other systems on management, competition and risk. The strategy involves

long-term goal planning. At the same time, goals belong to short-term planning and are an intermediate stage (with the help of goals the result that was planned by the strategy can be reached). New approaches to process management and organizational methods further emphasize the managerial influence on innovation processes, communications, advertising and information management.

Marketing is another system that is completely dependent on management. Marketing is a system of market relations in which supply and demand are determined and the most correct solutions are sought in order to benefit all parties. Similar to management is that firstly the analysis of the market situation is carried out (in personnel management it is the analysis of the labor market), then the development and forecasting of market strategies (in personnel management it is the definition of personnel policy principles) and finally – the strategy development (in management personnel – the development of a strategic management system). Therefore, we can assume that without management, these and all other systems in the world would not exist.

Management, like all economic systems, takes into account supply and demand in the market. Personnel management balances the demand from the employer who «rents» certain knowledge and skills of the individual who applies for a given vacancy, as well as the supply of the individual / potential employee who is looking for work and offers himself in the labor market to achieve material gain for their own purposes. The state, for its part, proposes every unemployed person to go and register in the employment center as officially unemployed for a certain period, as well as obtain payments within 6 months from the date of application to the employment center. Also, for already potential employees, the Labor Code with all the rules and general responsibilities of employees is regulated.

But the competition that takes place mostly at the recruitment stage depends on several factors. In general, competition is a type of relationship where two or more people apply for the same position (someone may have a higher education, more experience and will be more competitive). Therefore the question arises in the interviews – why should we take you. And then the fortune will direct either to get the dream job, or to gain additional skills or experience at another company. Personnel management is a modern definition of personnel work. Appropriate personnel management allows ensuring the achievement of competitive advantages, work efficiency and maximum return on staff [1].

Therefore, in this situation, the trend of 2021 can be considered relevant, in which, in contrast to 2020 – organizations have already begun to take into account the risks when planning the budget and calculate possible complex scenarios. Also, many companies have created online interviews to save time, and with the help of social networks the entrepreneurs support their brand and post information about their own business. All this shows that people are still ready to follow the progress and the new is not as far as we think.

The motivation for this study is initiated by the need for entrepreneurs to choose the right model of behavior with

employees to increase their efficiency, as well as to predict possible future risks, according to companies that are more competitive in the labor market. Despite the fact that long-established types of personnel management have been established in the world for a long time, but, as modern experience shows, this is not enough for proper professional and collective development. Therefore, there is a need to study these subsystems to create more competent work.

Personnel management is a purposeful impact on the human component of the organization, which focuses on matching the goals of the organization and the capabilities of employees. Personnel management is based on a generalized idea of the place of man in the organization. One of the elements of management is personnel management, which determines the place of man in the organization. The very concept of «management» is ambiguous. It can be interpreted in terms of personnel management, human resource management or just a person [2; 3].

The relationship between management and governance can be seen in the table below, which shows the improvement of the management system through the management relationship and their development (Table 1).

The personnel management system at a modern enterprise, regardless of the form of ownership, is the most powerful tool for ensuring competitiveness and

development. Therefore, there is a necessity to develop and improve the efficiency of the latest personnel management system, taking into account the requirements of a market economy [1; 2, p. 37].

The modern system of personnel management, which is developed at leading domestic enterprises under the influence of the introduction of advanced foreign technologies of personnel management and the use of own experience, includes the following subsystems: analysis and planning of personnel; selection and hiring of staff; staff evaluation; organization of training and advanced training of staff; certification and staff rotation; payroll management; staff motivation; accounting of employees of the enterprise; organization of labor relations at the enterprise; creation of working conditions; social development; personnel security (Table 2) [3, p. 38].

Modern personnel management systems combine many theories. Each model of managerial decision-making conditionally consists of stages:

- emergence of a problem or conflict situation;
- search for variants for management decisions;
- registration of activity in a specific way;
- implementation and control of efficiency [8; 9].

The stages, in turn, are performed using models. Types: totalitarian, democratic, liberal, authoritarian and co-creative.

Table 1 – Transformation of the management paradigm

№	The traditional management paradigm	The new management paradigm
1	Management of traditional factors of production – land, labor and capital	Management of not only traditional factors, but also knowledge
2	Preferred operation management	Preferred development management. Innovation management
3	Management objects – traditional organizations and production processes	New objects of management – global organizations and global processes, intangible assets and intangible processes. Expanding the boundaries of organizations
4	Separation of management methods in government and commercial organizations, as well as in non-profit organizations	Active borrowing of methods and technologies used in commercial organizations by government and non-profit organizations

Source: compiled by the authors, based on the sources used [5]

Table 2 – Comparison of personnel management systems

№	Traditional personnel management system	Modern personnel management system
1	Focus on operational issues	Focus on strategy
2	Focus on stability	Focus on timely adaptation of the personnel management system to changes in the external environment
3	Organizational imperative	The human factor
4	The most important resource is the organizational structure	The most important resource that can be constantly developed is employees
5	Maximum division of labor, simple and narrow specialties	Optimal grouping of works, multifaceted specialties
6	External control (managers, staff of controllers, formal procedures)	Self-control and self-discipline
7	Pyramidal and rigid organizational structure, development of vertical connections	Flat and flexible organizational structure, development of horizontal links that ensure effective interaction between departments and employees
8	Autocratic leadership style	The leadership style is based on the interest of all employees in the common success of the enterprise as a whole
9	Competition and the "political game"	Cooperation
10	Low interest of the employee in his success	High interest of employees in the joint result
11	Activities only in the interests of the enterprise and its divisions	Activities in the interests of society
12	Low risk penchant	Focus on innovation and the associated risk penchant

Source: compiled by the authors, based on the sources used [6, p. 456]

The table 3 clearly displayed each of them. Many people know about the existence of four of them. But co-creation is like a bonus in the modern world, which reflects the main and best characteristics of each of the models, allowing the company to develop with maximum progress.

Everyone who wants to create his own business desires to choose exactly and correctly what behavior will be right.

Each type of enterprise suitable for different management models, which, as mentioned above – are determined by the private entrepreneur independently.

But modern management has developed another system for personnel management – co-creative. It covers the negative sides and absorbs the positive potential of all types:

- liberal type provides the opportunity for individual self-expression;
- totalitarian type offers the creation of stable and correct ways of governing;
- democratic model grants mechanisms for equality for all.

This is probably the best of the proposed methods of personnel management. The conditions for positive self-development and the individual, and the group and the organization as a whole are provided with the help of such an adapted method.

Based on all this, we can make another type. The authoritarian co-creative model stands out as a separate item. It would be suitable, perhaps for large organizations. It provides for the creation of clear criteria for evaluating the activities of each head of the organization (as well as the private entrepreneur who created the organization). It

also shows responsibility for the consequences of wrong actions. This can be performed by using the economic indicators. It may be done through a continuous audit, which would be much more appropriate. To do this, the independent auditor can control the organization due to the synthesis of information, analogy, comparative analysis, interviews, testing. Therefore, this system could be used as a standard for public authorities.

A completely authoritarian or totalitarian system hinders progress. Democratic model does not take into account the adaptation to modern realities and has no certain regularity. Liberal structure creates maladaptive and conflicting working conditions.

Personnel management has considered for a long time such stages as: planning / forecasting; recruitment and selection; determination of wages; adaptation and career guidance; retraining / training; performance appraisal; dismissal or transfer of employees; training of people who will hold managerial positions.

But at every stage you can find a problem. To begin with, if the company has a problem of insufficient profits or reduced efficiency of employees and the organization as a whole, it is necessary to invite an independent specialist (it is best to take a specialist in consulting). But nowadays more and more people are used for remote work to create the safest working conditions, as well as to create individual responsibility of each employee for their work.

The process of personnel planning or forecasting can be taken for example – the manager creates a personnel policy,

Table 3 – Models of personnel management

№	Model name	Characteristic
1	Totalitarian	Based on stability, reliability, collective strength, which is performed by a specific person – a leader. Priorities of group goals over individual ones are set and an accurate management structure is created. The problem situation here is solved with the help of proposals for solutions by the leader, who performs strict control over their implementation. The totalitarian system involves well-established hierarchical management, well-distributed management decisions, a rigid system of control, as well as the manufacturability of the team. Therefore, organizations that have taken such a model as a basis – can hope for a quick solution to problems through the reliable operation of the enterprise and the implementation of goals. But it is a conservative enterprise that cannot flexibly respond to rapid change because of the lack of space for self-development
2	Liberal	Characterizes the free self-realization of the individual or team of the enterprise. In practice, this is done through the accomplishment of individual interests (struggle, contest, competition). This type of management reveals undisguised conflict by finding the mismatch of individual interests of one or more members of the team. Control and implementation of the established decision depends on the independent responsibility of more interested individuals (there is no real mechanism for assigning responsibility). Therefore, we can say that this system is not yet fully developed and needs to be improved
3	Democratic	Establishes equal rights and opportunities for every person. Each member of the organization has the right to pose each problem, offer its individual solutions. As in state bodies, decisions here are made on the basis of a majority vote. But there are no clear mechanisms for implementing ideas and therefore the disadvantage is a certain spontaneity and anarchy, which brings the model closer to liberal. When choosing votes, for the most part, there may be a division into subgroups in the system of a particular team, which can give the error of these results. So we can say that this system is appropriate only for state executors of our country
4	Authoritarian	Reflects the principle of hierarchy, but not everyone is able to use it properly. The model involves the organization of processes with a bureaucratic or rigid organizational structure. The basic rule for this type is that one person makes the decision
5	Co-creative	Problems are forecasted here and all risks (active system) are taken into account, in discussion of which all employees take part. Responsibility is delegated to certain persons for the implementation of the draft decision. Control of implementation is carried out by supporting the implementation of the project. Co-creative type of management provides conditions for continuous development and realization of creative potential of the individual and the team. Such a system in general would be suitable for all organizations, except for very large organizations such as factories

which must take into account the structure and hierarchy of the enterprise. If this is not done and the specialist finds such problem, the following measures may be suggested:

- improving the skills of the person who created the personnel policy and control over it, dismissal from the company if the results are unsuccessful;

- creation of a new system that will take into account the feasibility of recruitment (for example: each manager is given a condition to perform 10 tasks. After that the control must be how much time it took to execute. Deadlines for managers will also be marked, so it is best way to check expediency of new employees);

- consideration of each department from the point of view of expediency (if necessary – merging with another department or dismissal of persons who work least efficiently);

- creation of a new personnel policy, which will be created correctly – according to the forecast, as well as in keeping with the amendments made at the enterprise.

This raises the question of what businesses lack to create efficient work and make more profits. Large enterprises such as factories are «stuck» in Soviet times and have no space for employee development. For example, trainings have already been introduced by many entrepreneurs, and some do not know what it is yet. Factories in this case offer a tour of the plant for schoolchildren and students, conversations with employees of the plant as a career guidance, as well as internships, but most of which are «came on the first and last day.» Therefore, in this case, it might be appropriate to create collaboration with schools, colleges and universities. One technical person can be invited to tell about work in a certain factory (with an invitation to the factory to show in practice how they do the job), a specialist in acting (who will give some lessons on how to present himself), and a blogger from a certain city (it can be agreed that he will not take money for it – he will have some content about the information that he will tell children and put on his page, which will be his personal advertising). Therefore, it will help both in career guidance and in expanding the plant's ties with other organizations. In colleges the subject «Technologies» that does not fully disclose the profession may also be transformed into collaboration with factories and other enterprises (taking into account courses or training in the specialty and more).

It would be advisable for universities to create real internships that would be noted in students' employment records, as many post-graduate students have no work experience and are less competitive in the labor market. But this can be done only after improving the Laws of Ukraine on Internships.

Also, an interesting fact can be that the certification in the factories is carried out according to a given scheme. The introduction of a coaching system and SMART system (involving own motivation) gives the possibility to improve this system. Typically, the following concepts are used by modern small companies (e. g., IT):

S – specific, M – measurable, A – attainable, R – relevant, T – time-bound.

It can be explained as follows: for example, in the plant the efficiency of a particular employee has reduced (the

number of manufactured parts has decreased significantly). Then the manager should call this employee and have a conversation with him. In a coaching system, this is created so that the employee sees the chain of the problem. The employee makes fewer parts – the team must work harder to cover costs – if the norm is not met – deficit – if less parts made by the department – less finished products. As a result there is a reduction in the profits of the organization. This affects the work of the whole enterprise, so it is possible to reduce wages or even dismissal. After that, the manager can ask what problems the employee has, what has changed his efficiency. Then ask the question, what is the motivation of the employee, in addition to wages, to work at the company. After that, a certain work limit is set – for example, to improve the results by 10% by the end of next week. Also, for greater effectiveness – conducting ABC testing. If an employee has a period of stagnation – or send him to training courses, or create a recreation room.

No less interesting is the proposal to improve the working conditions not only of factories, but also of many enterprises in general.

International trends in personnel management in 2021 have shown very interesting results. An experiment was conducted, with the participation of workers and management, to consider possible variants for the development of relations among them in the future. As a result, 4 possible development scenarios were identified:

- work as fashion (the labor market is seen as a fashion industry – employers will have to change constantly, according to changes in employees' mood, tactics of competitors and market indicators);

- battle of talents (workers will compete with each other for jobs, the number of which will be limited due to excess demand);

- work is work (both parties will consider the social responsibility of business and self-realization of the worker (personal and social), as two unrelated aspects);

- the main thing is the goal (the relationship between employees and employers will be built around common goals).

The experience of 2020 shows no less interesting trends in the readiness of organizations to implement development (see Fig. 1).

And the indicators of 2021 show the forecast of staff shortages until 2030 (see Fig. 2).

In order to increase the efficiency of the personnel management system, it is necessary to analyze and take into account the specific conditions of market economy development in Ukraine. The great importance for each company, regardless of organizational and legal form, is the development of assessment methods that can determine the actual situation in the company in the field of personnel management, identify weaknesses and provide recommendations for efficiency.

Personnel management service implements personnel policy and coordinates the activities of human resources management of the enterprise; it is needed to expand the functions to construct new systems of employment incentives, career management, conflict prevention, study

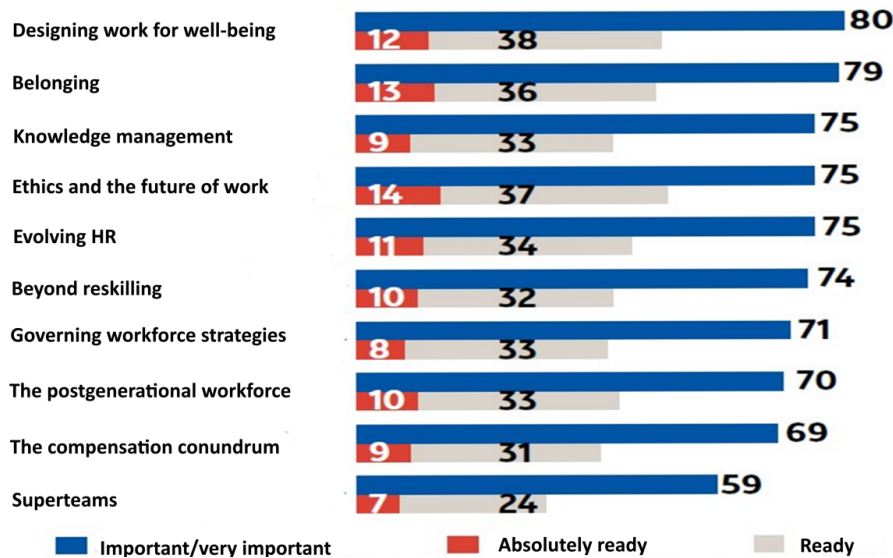


Fig. 1 – Trends in 2020 on the readiness to implement mechanisms for the development of personnel management
Source: [10]



Fig. 2 – Staff shortage forecast until 2030, mln of people

Source: The Organization for Economic Co-operation and Development (OECD), World Economic Forum, Roland Berger estimates

of the labor market, the creation of personnel reserves for management staff [7].

In modern conditions, the process of developing and updating the concept of personnel management is underway, while improving both personnel management systems and the method and tools used. The employee with his personal and professional characteristics from the object of management has become an object of study in order to develop and apply such technologies that will create the best conditions for realizing the potential of employees and meet their expectations and needs [4].

Conclusions

An effective personnel management system (PMS) is not only the most important factor in the economic success of a modern enterprise, a tool for improving the efficiency and productivity of personnel, but also socially oriented management aimed at each individual employee with the purpose of increasing his work motivation and satisfying needs through a system of material incentives. The above problems, as well as their solutions are risky. The proposed examples of development can be applied to different models. The actions mentioned in the last question can make the staff turnover lower. If from the beginning you identify correctly the management model that will exist ideally in the company – there will be no possibility of risk of creating other problems accordingly. Even if such

trifles as talented managers and leaders are sent abroad once a year for several months (work to improve the skills of the employee, as well as the employee’s own income), but stating in the contract that the employee will return to the company after completing it. This will help to reduce staff turnover, migration, create employee confidence in the employer, and expand international ties with foreign organizations. This shows that this and all other issues involve not only business but also legislative changes.

Summing up all this, we can conclude that qualified and proper personnel management will exist perfectly when the state works in tandem with organizations and private employees. In addition, considering the data of 2020, it can be noted that although most workers are focused on individual results, instead of team’s ones, and the indicators of the forecast of the shortage of personnel from 2021 to 2030 show that even the most developed countries of our world will have insufficient work force, which can greatly shake the economy of each country, so, on the example of such countries as China, the United States, Western Europe countries, it is necessary to take certain measures to improve both personnel management and the economy as a whole. Ukraine should anticipate negative risks of impact on the country and, analyzing the experience of foreign countries, take precautionary measures. In order to avoid serious consequences it should create the most correct management of all branches of government in the state.

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