Theoretical, methodological and practical foundations of human resources management

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The authors in the book have come to the conclusion that it is necessary to effectively use the potential of human resources, social innovation, opportunities national and regional of labour market, motivational mechanisms and scenario approach. Basic research focuses on evaluation of the effectiveness of human resources, the need for staff development, the global human resource management, corporate social responsibility and the development of motivational mechanisms and the formation of social policy. The research results have been implemented in various models and human resource management strategies, the development of mediation in the labour market, the use of social advertising, volunteering and partnerships. The results of the study can be used in decision-making at the business level and at the level of local authorities in the formulation of development programs and strategies personnel of economic entities in terms of the labour market changes.

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INTRODUCTION

At the present stage of economic development, when there is expansion of the role of human resource management, develop new requirements for the development and evaluation of human resources management, the successful development of the company depends on its human resources. That is, today, the human resources – is the main competitive advantage of the enterprise, as they form a positive climate in the organization, which always helps to improve the production and management of processes and products, which in turn is the basis of competitive advantage and sustainability of the company.

The ongoing developments in the understanding of human values in the production of advanced before scientists need to rethink the traditional theoretical concepts, methodological approaches and the formation of new ideas about how to management personnel in modern organizations.

In such circumstances, solving the problems associated with the formation, development and utilization of labour resources, it becomes even more important as society and regional level and on the level of organizations, which are free to choose the direction of their own personnel policies.

Human resources management continues to be the weakest link in the overall system of management of organizations, management thinking and social awareness in this area is slowly reconstructed. Until now, many companies persist administrative-command management methods, stereotypical approaches to human resources management, within which management comes down to personnel issues. Not tested many theoretical and methodological aspects of human resources management as part of a system of effective management of the organization.

Underestimating the human resources management system hinders the introduction of innovations into practice in other areas of governance, weakens the social orientation of management activity that does not allow the organization to create an effective management system in general and to implement organizational development strategy, as all spheres of government are linked. Today, more and more obvious that it is impossible to increase organizational efficiency while staying within the same personnel management system. It is necessary to radically change the attitude to this area of organization management, to develop new human resources management technology.

Chapter 1

CURRENT APPROACHES AND MECHANISMS TO HUMAN RESOURCES MANAGEMENT

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SPECIFIC FEATURES OF PERSONNEL MANAGEMENT SYSTEM OF TRADE ENTERPRISES

The specifics of personnel management in trade is related to the specific nature of the employment relationship, formed pluralism in forms of trading, and the special role of staff in the implementation of trade and technological processes that are not amenable to automation and mechanization. Personnel management must consider how changes in decision-making, taking into account technical and technological transformation components and transforming the perception of the employees of these changes. The strategic vision of the market outlook, new conditions for commercial operation, and as a result, fundamental changes to staffing requirements, increase search new approaches to building management personnel of the trade enterprises.

The main purpose of the personnel management system is to ensure trade enterprise personnel development and efficient use of their competencies permanent professional development and social workers. The effectiveness of the personnel management system depends on compliance with the organization's goals and formed human resources.

The objectives of personnel management system needs to address major problems [1]:

– providing of trade enterprise workforce appropriate quantity and quality of training;

– providing conditions for high productivity, a sufficient level of organization, motivation, self-discipline, acquiring skills in employee engagement and cooperation;

– formation of a stable collective organizations of trade, that is the consolidation in the company of experienced and skilled personnel;

– implementation needs and interests of employees on the content of work, working conditions, opportunities for professional qualification and career advancement based on growth of professional skills, knowledge and experience of personnel;

– optimal balance of interests of both businesses and workers, economic and social efficiency of personnel management.

The most complete realization of the purposes of trade enterprise and efficiency of HR dependent on the choices of the construction management personnel, knowledge of the mechanism of its operation, choosing the most appropriate technology and methods of work with people.

So, from this point of view the author's vision of the essence of the concept "personnel management system commercial" is a tool forming potential of the company, a set of interrelated administrative (organizational and the manager), economic and socio-psychological methods aimed at effective management staff increase competitiveness and achieve the strategic goals of trade enterprise.

Supporter’s functional management directly focuses on the content side. In the management staff understand "industry activity, important elements of which is to determine staffing needs, involvement (recruitment and selection), involvement in work-release development, controlling staff and structuring work, policy fees and social services policy participation success, cost management personnel and management staff" [2]. Other authors argue that in a broad sense "personnel management system involves the formation of objectives, functions, organizational structure, personnel management, vertical and horizontal functional relationships of executives and professionals in the study, development, adoption and implementation of management decisions" [3].

Under the functional direction, in our opinion, the system of personnel management of trade enterprise – a set of measures for recruitment, planning need, adaptation and organization of staff, its evaluation and stimulation to get the best results, control and monitoring of personnel, training and staff training, followed by career development.

HR system refers to complex social systems because inside there are formal relations and relationships between individual employees and their groups. This system interacts with the environment and so open, so it can be represented as a set of components: input and output; CPU (mechanism) personnel management, which includes controlling and feedback [4].

The input components of the system are the resources, the main ones are human, and related information on the needs of commercial enterprise staffing based its development strategy. Processor HR stands virtually alone system that converts the input elements on weekends, a change in the actions of men, between which channels distributed responsibilities and relationships (fig. 1.1).

The mechanism of HR trade enterprises based on the following basic principles:

– subordination system of formation and use of personnel of trade enterprise overall strategy development. Personnel management must be integrated with the management strategy and the turnover of trade in services, development of logistics, and financial development of the enterprise;

– stabilization of employees, reducing turnover enterprise;

– combining skills (universalism) personnel to ensure that the required volume of different types of work in retail establishments that are small;

– selection of competitively main managers and specialists of trade enterprises, qualified vendors from selling goods most sophisticated product range, while providing preference to workers with high skills, the ability to search individual and adapt to highly dynamic consumer market conditions;

– taking into account the main staff of motivation and commitment to its implementation within the capabilities of trade enterprise. Formation of motivation of the personnel changes reflect the value priorities of workers in the changing market conditions, desire for cooperation and partnership with the owners on a long-term basis;

– taking into account the legal provisions of state regulation of employment and wages in the HR trade. This includes order taking employees to work to ensure the appropriate mode and working conditions, compliance with the minimum amount of wages, provision appropriate social benefits and other legal norms established in the trade.

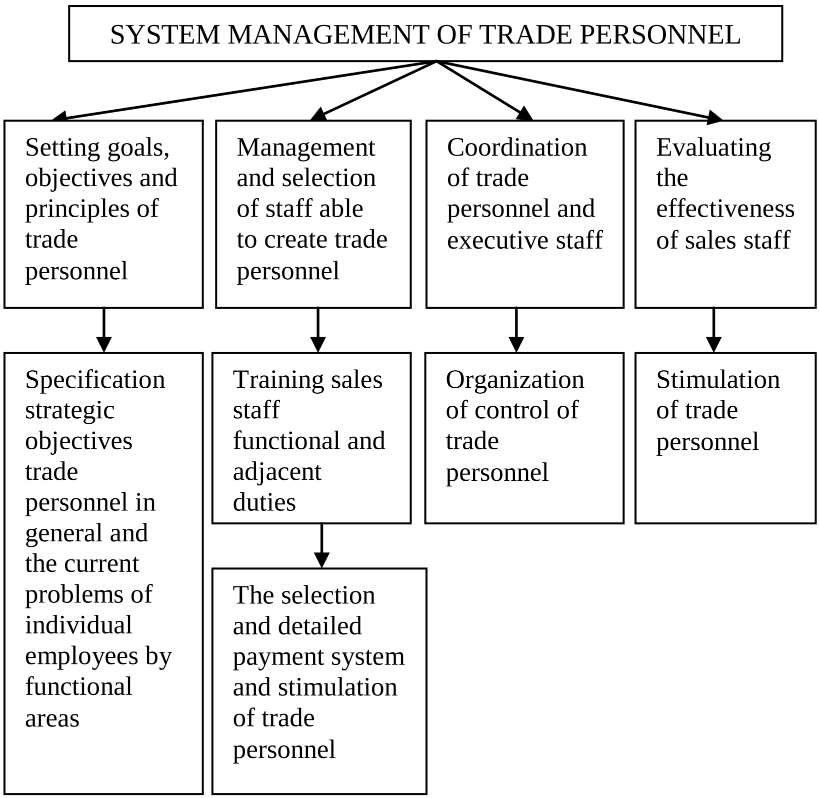

Figure 1.1. Scheme system management personnel on trade enterprise

Part of the CPU is the control that defines the tasks and communications systems between its elements. It can be done in the middle of the system, and the level of management. The work of the personnel management system is the system of competences (fig. 1.2).

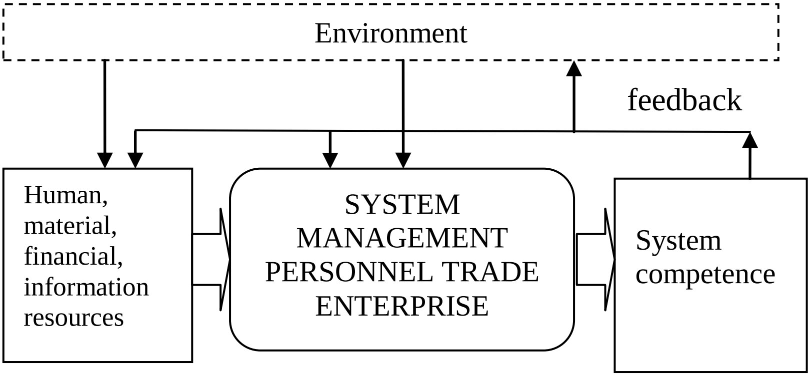

Figure 1.2. Competence in the system management personnel on trade enterprise

Competencies are a combination of skills, experience and accumulated knowledge in a particular field of activity. They specify resource vision of human resources in the short term because, first, is more specific than capacity because require the specialized knowledge and skills; secondly, have revealed the nature of abilities that can actively used in achieving the goals of the company trade. The basis of formation of sustainable competitive advantage are the core competencies that are defined by the authors, is "the core of the enterprise" in the form of organizational-specific knowledge that can be relayed to another firm [8]. The system of competences is the foundation that determines the enterprise's ability to fulfill its mission of attracting the necessary resources, trade and construction process and has a significant impact on development and effective use of human resources trade enterprise.

An important role in the HR performs and feedback, including quantitative and qualitative information on the results. This information is sent for evaluation to the processor and affects your incoming components in order to adjust and improve the efficiency of the system. The formation of the personnel management system and its effective operation affects a number of both external and internal factors. Therefore, the main task of the trade enterprise is constantly improving the system and its adaptation to the conditions. Among the environmental factors can be identified [6]: historical and national traditions, demographic and macroeconomic situation of the country, institutional conditions for the functioning of the labor market and trade results of the trade unions and other social organizations, technology personnel management, education system, human resources competition. The most important internal factors are: organizational values, quantitative and qualitative characteristics of personnel, financial resources allocated to the attraction and development trade enterprise.

Holistic view of personnel management trade enterprises are providing system properties for the different characteristics [9].

The first group forming properties that are characteristic of the formation of the personnel management system:

– multidimensional – HR may be on different channels: administrative and commercial, economic and legal;

– transparency – conceptual unity, the construction of all departments and managers on the same phases, stages for different functions on the economic content of HR processes;

– sustainability – the use of "local regulators" that would encourage commercial and operational staff and functional units is not deviate from general corporate purpose of trafficking;

– comfort – ensuring maximum convenience of employees during the performance.

The second group includes properties that determine directions development of HR:

– specialization – the division of labor in the management of personnel, the formation of individual units that specialize in the performance of groups of similar functions;

– adaptability (flexibility) – the ability to adapt personnel management system to changes in internal and external environment of the enterprise;

– competence – acquisition integrated in learning abilities of staff (knowledge, experience, values) that can be integrally implemented in practice, the possibility of applying a set of fundamental principles and complex techniques in the solution of problems in different contexts;

– equiv. final – the possibility of achieving results in different ways and by certain state (final), which is determined only by its own structure, regardless of initial conditions and fluctuations;

– multi final – found in the probability of getting different results and effects of the conditions of use of the same methods and techniques to similar situations.

Department HR should be staffed by specialists able to successfully solve a wide range of issues of the company and with other agencies to actively influence the effectiveness of trade enterprises. The main purpose of personnel management is to build the number and composition of employees that meet the specifics of the enterprise and can provide the main objectives of its development. Thus, it is important to consider features of work in trade enterprises:

1) The first feature work in trade enterprises – is its dual nature.

2) The second feature is that the work associated with the continuation of production processes in turn, holds a significant share in the total of all work processes – mainly due to poor equipment of trade enterprises technique. Typically, most of the processes relating to the industrial transformation range of commercial, packaging, course of sub, that pre-treatment of the goods by hand. The presence of large human labor costs is a negative factor (the more that about 80 % of employment in trade – women, and in retail on average for the shift has moved depending on the size of the store from 3 to 15 tons of cargo).

3) The third feature is that the work associated with the change of the form of value of goods rather monotonous, yet requires significant physical and nervous tension. This is because: organization of commercial and technical process does not provide or severely restrict a worker demonstration initiatives; lack of automation results in that analysis, accounting, statistical calculations are carried out manually.

4) The fourth feature of the work on trade enterprises has significant impact possible factors. The intensity of the purchasing flows throughout the day, depending on the location of the company, significant fluctuations demand for the commodity groups, and other factors, in some cases, lead to the inevitable idle workers, and others – to a very large load and a sharp rise in tension work.

5) The fifth feature of the work on trade enterprises is that the end the result of work – not a product, service.

In a highly competitive one of the most important tools of effective functioning trade enterprise is to build effective management personnel. Defining the essence of the concept "personnel management system" the researchers emphasize the organizational and functional areas of management. Personnel Management System is a "set of interrelated economic, organizational, social and psychological methods to ensure the effectiveness of employment and the competitiveness of enterprises", that operates the purpose and methods of achieving this goal [7].

Analyzing the work of staff trade found areas of improvement needed personnel management system, such as:

– constant evaluation of the potential for promotion and risk reduction nomination incompetent staff;

– creating conditions for increasing knowledge, training, continuous self-improvement;

– the development of staff training programs and staff development;

– the use of incentive programs in the empowerment of employees in business decisions taken;

– the formation of new moral values that are shared by the entire staff of the organization;

– organizing feedback from staff about the quality of their work.

The main features of personnel management system of trade enterprises are:

– development of principles, direction and management personnel;

– consideration of personnel at all levels of strategic planning commercial enterprise;

– the introduction of new methods of training and staff development;

– the definition of a coordinated and uniform tariff policy and payment labor;

– development and application of the company economic incentives and social guarantees;

– development of measures on social partnership.

Thus, the main tasks of Department HR trade enterprise is an active human resources policy based on an effective system of personnel management and social processes, providing conditions for initiative and creativity trade workers taking into account their individual abilities and skills, economic development with social service and material incentives closely economic policies associated with the company contribution of each employee.

Conclusions

First, an effective system of personnel management of trade enterprises areas is one of the most important tools for improving the competitiveness of organizations.

Second, the essence of the concept of personnel management system trade enterprise advisable to treat the subject of organizational and functional areas of business management as "a tool for human resource capacity of the company, complex interrelated administrative (organizational and the manager), economic, social and psychological methods, aimed at efficient staff management, increase competitiveness and achieve the strategic goals of trade enterprise "and as a set of measures for recruitment, planning need, adaptation and organization of staff, its evaluation and stimulation to get the best results, control and monitoring of personnel, training and staff qualifications with further career growth".

Third, this system should be regarded as a social that is open form as improving personnel management system depends on the effectiveness of relations and relationships between the components that form it.

Fourth, a classification system property more fully describes the nature of the content management staff of trade and creating a holistic view of the object management.

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ROLE OF THE HUMAN RESOURCES MANAGEMENT IN AN ENTERPRISE

The development of current globalization processes is accompanied by the formation of qualitatively new conditions of market economy. It also provides for the formation of a common world market space. Against the background of these transformation processes significant changes take place in all business areas and fundamentally new economic connections and production relations develop. The difficulties of the period of market reforms, experienced by Ukraine, actualize the role of human factor in business activity. All this requires a new approach to human resources (HR) management in enterprises.

Actuality of the chosen topic lies in the fact that work with personnel in an enterprise is one of the necessary requirements to increase productivity and to increase profit at the company. Problems of HR management were considered in numerous scientific works of home and foreign economists, social psychologists and other specialists in the sphere of human activity. These works have made a great contribution to the theory and practice of socio-economic relations, the study of various systems of HR management.

A significant contribution to the theory of HR management and of its evaluation were made by foreign researchers I. Ansoff, F. Becker, P. Drucker, H. Kunz, M. Meskon F. Hedouri, S. Oddonel T. Peters, G. Simon. The process of social and economic reforms initiated growth of research interest of many scientists in this area, which resulted in works of S.I. Bandura, D.P. Boginia, O.A. Grishnova, V.M. Danyuk, A.V. Kalina, A.M. Kolot, I.D. Kryzhka, N.D. Lukyanchenko, V.M. Nyzhnyk, I.L. Petrova, N.V. Semykina, O.N. Umanskii, which proved the theoretical and applied aspects of personnel management and its evaluation of the company.

Today enterprises lack for comprehensive development as to system solution of management problems and assessment of personnel in the company. This stipulates a comprehensive analysis of the problem and determines its actuality. Approaches to solution of HR management problems and development of recommendations on personnel evaluation need further research and development. The problem of organization and information support in personnel work remains considerably understudied.

Thus, the term "personnel" combines parts of the company work collective. From a practical point of view, staff includes all employees who perform various operations. Also, it includes those who are engaged in transformation of work items using labor means. We have put the concept of "management personnel" into table 1.1 according to various opinions of scientists.

Table 1.1

The Concept “HR Management” according to the following scientists

Author	Definition
Balabanova L.V. Sardak O.V.	According to the statements of these researchers, HR management is the process of planning, selection, training, assessment, training and motivation of the personnel aimed at its effective use and achievement of the objectives of an enterprise and employees [1, p. 18-20].
Vinogradsky M.D. Vinogradska A.M. Belyaeva S.V.	They identified HR as activity of an organization aimed at efficient use of staff to achieve both organization and individuals’ objectives. [2, p.10-11].
Danyuk V.M. Petyuh V.M.	In their research they consider HR management as systemically organized process of reproduction and effective use of staff of self-governing organization [3, p. 8].
Krushelnytska O.V. Melnychuk D.P.	These scientists consider HR management as science and art of effective people management in terms of their professional activity [6, p. 15-16].
Palekha Y.I.	He defined HR management as purposeful activity of top management of an organization as to development of concepts, strategies of personnel policy and HR management methods [7, p. 60-65].
Savelieva V.S. Yeskov O.L.	Independent management sector, whose main goal is to increase production, creative activity and efficiency of personnel, and focus on reducing the proportion and quantity of production and management personnel, development and implementation of personnel placement policy [8, p. 21-22].

Thus, according to the given definitions of "HR management", it should be noted, that this process is quite complex and extensive, covering a number of components necessary in work with staff of an enterprise.

Modern concepts of human resources management are based on the one hand, on principles and methods of administrative management, and on the other hand - on the concept of comprehensive personality development and the theory of human relations. The basis of the concept of HR management in modern conditions is the growing role of an individual employee, knowledge of his motivational guidance, ability to shape and guide according to the tasks facing the company. Personnel considered here as individuals is a collection of individuals who are affiliated with the company, as a legal entity governed by a contract of employment.

Current views on HR management are closely associated with a person management from perspective of the human relations theory. Thus, the English professor Liz S. [5, p. 14] notes certain strategic areas in work with the personnel, shown in figure 1.3.

President of the School of International Management "Manager - Service" G.M. Ozerov [4, p.14-15] believes that HR management should be based on the following principles:

• person is the foundation of a corporate culture, successful enterprises attach great importance and attention to personnel;

• management is for all; management should be based on three levels: senior management, middle management ("team") and the lower link of "employees");

• efficiency as a criterion of success lies in achieving optimal use of resources and maximizing profit;

• the relationship as a criterion of success;

• quality as a performance criterion, it is necessary to work with interrelated quality subsystems;

• teams as a criterion for the success of an organization; those who work in the organization are its employees;

• training is the key to development and change, and an integral part of promotion of an organization.

Thus, noted principles are noteworthy as aimed at formation of corporate culture and at all-round development of the individual. Considering current technology and consulting these principles can significantly improve the personnel management level.

STRATEGIC DIRECTIONS In HR MAMAGEMENT

- reducing the share of wages in production costs and remuneration of employees

Because of high labor costs in developed European and American countries products of many Western companies has become not competitive compared with countries in South East Asia. However, this model is not suitable for all businesses;

- workers is a resource to be maximized.

It is recognized that the only source of long-term advantage in the market is knowledge of employees' capabilities and increase of their ingenuity, motivation and human relations, not "copying" the experience of other companies..

- indissoluble link of enterprise strategy and HR strategies.

Depending on the type of business it may apply a centralized strategy from the center (Chandler cascade model) and decentralized strategy as separate units of large companies conduct flexible marketing on the market (Porter and Fombruk's model);

- development of organizational culture;

Common goals, shared values, charismatic leaders, tough position in the market, monitoring of employees through social measures;

- HR management is a strategic function;

This direction involves development of HR strategy and recruitment based on the philosophy of the company.

Figure 1.3. Priority strategic areas of HR management

In our view, individual career planning of personnel should start with self-evaluation. For effective use of self-evaluation method it is necessary to create certain conditions, providing the most complete information, opportunities to discuss individual aspirations and plans with the supervisor, HR manager, coach or consultant.

The purpose of self-evaluation as a first stage of an individual career is self-discovery, which is a key success factor. One of the self-discovery tools is a test. Tests can determine the level of a person's corresponding knowledge, personal characteristics and skills. When self-evaluating, it is necessary to consider the results of tests that provide only an actual slice of measured quality, while most personal and behavioral characteristics are able to develop dynamically.

Tests on staff evaluation can be used not only to create an objective assessment of their personal and business skills. Besides it, tests are for correction of erroneous stereotypes of perception of themselves and others, behavior and response stereotypes, which prevent the achievement of career goals. Also they are used for setting goals, ways and means of official and professional growth. Tests can measure the level of intelligence of an individual. There are many kinds of skills: leadership, confidence, perseverance, diligence, attentiveness, sociability and others. Besides tests, self-evaluation includes personal balance, detailed and accurate filling of which focuses employees on themselves (table 1.2).

Table 1.2

Personal balance of interests and abilities

Work, and abilities	**Low**			**High**	
	1	*2*	*3*	*4*	*5*
Manual labour (distinctness, creativity, manual work)	-	-	-	-	-
Oral work (letter, reading, use of words)	-	-	-	-	-
Calculating work (calculations, numbers, accounting)	-	-	-	-	-
Visual work (monitoring, assessment)	-	-	-	-	-
Work with people (consulting, interview, discussion)	-	-	-	-	-
Creative work(inventions, ideas, discoveries)	-	-	-	-	-
Analytical work (research, problem solving)	-	-	-	-	-
Management (supervision, initiativeness, coordination)	-	-	-	-	-
Secretarial work (recording and writing down)	-	-	-	-	-
Mechanical work (repairs, correction)	-	-	-	-	-
International work (foreign relations, diplomacy)	-	-	-	-	-

Analyzing the strengths, personnel can really determine what it can offer to an employer. Knowing own weaknesses helps to make the right steps in removing them. Combining their interests and abilities, reflection in self-examination with information on career personnel can better identify long-term career goals and define ways to achieve them in the functioning of the company.

In order to accurately determine career goals, you need to assess own strengths and weaknesses. Each employee has a number of restrictions, limiting one's potential. Attention should be focused on the factors that hinder the full realization of all personal opportunities.

Thus, the ratio of certain forms of recruitment depends primarily on the specifics of a particular staff category, as well as of the interaction between the state and an enterprise in the field of training, retraining and skills development. The importance of this interaction results from the fact that it provides an effective solution of not only purely practical problem of providing a modern enterprise with qualified labor force, but it contributes to greater employment of working population, as well as it softens social tension in society caused by unemployment.

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THEORETICAL AND METHODOLOGICAL PRINCIPLES OF DEVELOPING PERSONNEL MANAGEMENT STRATEGIES

The current conditions of functioning of all enterprises in Ukraine (including motor-transport ones (MTE)) are unstable and suggest fast technological and organizational changes. Such situation is caused by a number of factors, globalization of markets, constantly growing competition, increased demands to the level of qualification and competence of personnel, etc.

In such conditions the main resource and competitive advantage of an MTE is the human resources with their creative and physical potential, capability of not only reproduction of their workforce but also of self-development.

The current state of the indicators of work with the HR in the field of the transport of Ukraine is critical: the percentage of staff outflow exceeds the percentage of staff employment (24,8 % and 21,8 %, respectively); the major share of all cases of the staff layoffs (81,7 %) is due to instability; at the average acceptable rate of 5 % the coefficient of the staff fluctuation at transport is 19,6 %; the coefficient of staff adaptation on the whole is a negative value (– 2,7 %); the fund of the working hours is performed only at 86%; the average wages of regular workers at the MTE is lower compared to the average level of wages in the economy [1].

Such situation requires solving the tasks of effective management and usage of human resources which is ensured by shaping the grounded strategy of the MTE HR management.

Theoretical, methodological and organizational aspects of the HR strategic management have been considered in the works of foreign and domestic scientists: M. Armstrong, G. Mintsberg, A. Chandler, T. Yu. Bazarov, L.V. Balabanova, V.R. Vesnin, V.M. Hryniova, I.B. Durakova, B.K. Yeriomin, A.Ya. Kibanov, V.I. Maslov, S.A. Popov, O.S. Sardak, F.I. Khmil and many others. The given problem in transport was studied by V.L. Dykan, I.A. Dmytriiev, O.M. Kryvoruchko, V.H. Shynkarenko and others.

Along with many scientific works available, a certain principal challenges of the HR management have not yet been solved in full. First of all, it concerns the development of the strategies of personnel management and adaptation to the MTE economy environment. Such challenges include: the need in deepening the conceptual apparatus of the HR management strategy development; improvement of their classification and development process; development of methodical bases and practical recommendations to develop the HR management strategies at the MTE; improving the methodological approach to defining competencies of employees and methodological provision for the development and selection of alternative decisions according to the types of the HR management tools.

So, the purpose of the research is deepening theoretical principles and elaboration of methodological and practical recommendations on developing the strategies of the MTE HR management.

In order to reach the strategic long-term goals the MTE administration shapes the general strategy, its component being the strategy of the HR management. At that, the various terms are used: "the HR strategy" [2], "the strategy of work with the staff" [3]; "the strategy of the HR management" [4], "the human resource management strategy" [5].

The narrowest of them is "the HR strategy" as it is a part of the strategy of the HR management (the human resources are a part of an enterprise personnel). The strategy of the HR management can be a part of the HR strategy and a part of the strategy of the HR management as it is aimed at shaping the quality HR or personnel of the enterprise. The widest and the most meaningful term of the proposed is "the strategy of the HR management" ("the strategy of work with the personnel").

The strategy of the HR management is a major direction and a complex program of actions and decisions created on the basis of a set of rules, principles and standards aimed at formation and efficient usage of the personnel, which ensures compliance of possibilities and long-term aims to the strategy of a particular type of the business venture.

So, the features of the enterprise HR management strategy are:

firstly, the directions and programs of the actions and decisions in work with the personnel which are the essential certainty of the strategies; secondly, the compliance to a business-strategy and the HR policy; thirdly, the focus on formation and efficient usage of the enterprise personnel, fourthly, the actions to ensure the compliance of possibilities to the long-term goals and the strategy of a particular type of the business venture.

The abovementioned understanding of the essence of this concept allows elaborating an approach to the development of the strategies of the HR management on the basis of harmonization of the general strategy, business strategy and the available and required characteristics of the enterprise personnel (fig. 1.4).

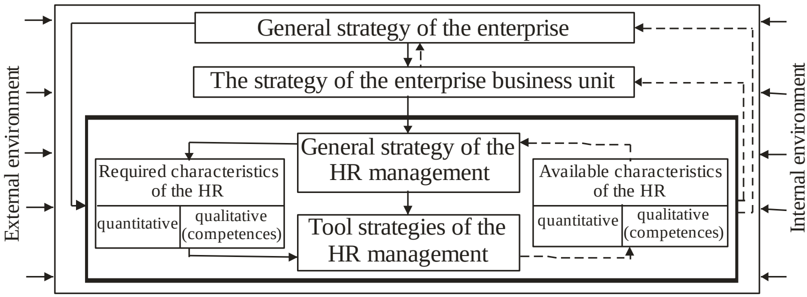

Figure 1.4. The approach to development of the strategies of the enterprise personnel management

According to such approach the general strategy of the enterprise is traditionally a ground for developing the strategies of its business units according to whose aims and contents the general strategy of the personnel management is developed, and on its basis the tool strategies of the personnel management are built (TSPM). The principles and offers on the work with the personnel are added to the strategy of the HR management, the draft decisions are then made, after that the plan is issued, i.e., the concrete actions concerning personnel.

The general strategies of the personnel management are those which give the general outline and the complex program of actions and decisions made by the types of the business strategy, the HR policy and the MTE labour group.

The tool strategies of the HR management are the actions and decisions of the general strategy of the HR management formed by the functions of the HR management. They are developed on the basis of coordination of the required personnel characteristics and the available ones (quantitative and qualitative).

When developing the strategies of the HR management, it is necessary to take into account a number of different factors: the concrete market of the goods and services sale, specialization and potential of the enterprise, the type of labour relations, development and introduction of the new technologies and others. Usually different variants of dependency of the types of strategies on these factors are the basis of their classification.

Attention is usually focused of one or several factors, which fact does not allow building the most efficient strategy of the HR management. Thus, the task of systematizing the types of such strategies is urgent.

Based on the certainty of the term “the strategy of the HR management” these factors can be classified according to two levels. Thus, at the first level the strategies should be distinguished by the types of strategies of the enterprise business units, as the strategies of the HR management are based and formed according to their subject and goals. According to this characteristic the classification of management strategies by the way of achieving the competitive advantages on the strategy of cutting costs, increasing quality and innovation strategy is the most common.

Classification characteristics of the HR management strategy of the second level correspond to the directions and programs of actions and decisions regarding personnel. The type of the enterprise HR policy, the type of the work collective, the personnel management functions should be considered as the characteristics of the second level (fig. 1.5).

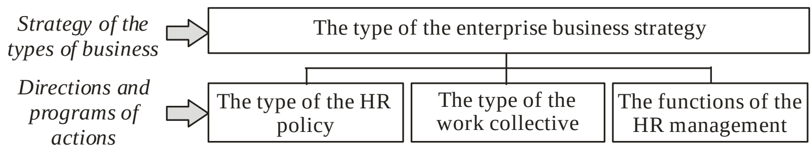

Figure 1.5. Classification characteristics of the HR management strategies

By the characteristics of the type of the HR policy at the enterprise four types of the HR management strategy are distinguished (passive, reactive, preventive, active), the main difference being the presence or absence of forecasts of the HR situations development, the diagnostics tools of personnel, the demands or the HR programs. At this, the HR activities are understood as “the management actions aimed at reaching the personnel correspondence to the tasks of the organization, accomplished considering the stage of the organization development” [4, p. 543]; the HR situations are a complex of conditions, events, circumstances in the work with personnel that turned out at a certain moment of time.

By the types of the work collective it is advisable to distinguish four types of the HR management strategies, which differ by the role played by the leader (essential or unessential) and the relationships between the team members (rivalry, indifference, cooperation) (table 1.3).

Table 1.3

Classification of the HR management strategies depending on type of the work collective

The strategies of the HR management according to the type of the work collective	The role of the leader (essential/ unessential)	Relationships between the team members (rivalry/ indifference/cooperation)
«Family»	Essential	Cooperation and indifference
«Pack»	Essential	Rivalry
«Hive»	Unessential	Cooperation and indifference
«Bus»	Unessential	Rivalry

Source: generalized by [6]

In general, classification of the HR management strategies looks like a cube built on the basis of their characteristics: the type of the enterprise business strategies, the HR policy and the work collective (fig. 1.6).

This cube makes possible to present graphically the types of the general strategies of the HR management and their components. It is also a basis for laying out the general strategies according to which the tool strategies of the HR management are developed.

The lists of all existing types of general strategies of the HR management are placed in the space limited by this cube. There are (3·4·4)=48 variants of these strategies respectively. E.g., when the innovative strategy is chosen for a business unit, the preventive HR policy is accomplished concerning the work collective of the “Pack” type, the strategy of the HR management must include activities on attraction, engagement and retention of the highly skilled employees with a penchant for innovative actions and ensuring the conditions for increasing innovative qualities; the actions on creating friendly interrelations in the team; development of the target programs.

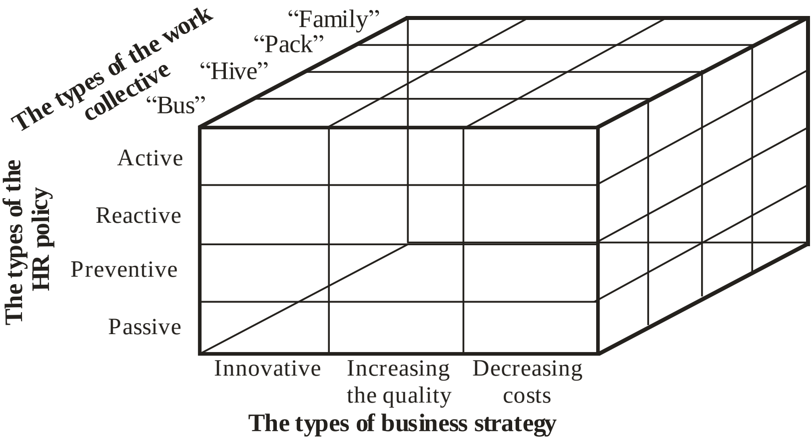

Figure 1.6. The cube of the types of the HR management general strategies

The classification of the types of general strategies of the enterprise HR management is a basis for accentuation of their tool types by considering one more classification feature – the functions of the HR management at the enterprise.

By this feature four types of the HR strategies can be distinguished corresponding to the functions: planning the demand for personnel; employment and layoff of personnel; personnel motivation; controlling personnel work.

Classification of tool strategies of the HR management looks like a 4-dimensional cube (a tetracube or a hypercube) where mutual impacts of the types of strategies of the enterprise business types, the HR policy and the work collective, general functions of the HR management are shown.

The list of all existing types of tool strategies of the HR management is limited by the space of a 4-dimentional cube. There are (3·4·4·4)=192 variants of these strategies. E.g., when the strategy of reducing costs is in action on condition that the administracy of the enterprise conducts an active HR policy concerning the working collective of the "Pack" type and focuses the main attention on the function of planning the demands and the HR employment, the strategy of the HR management should include: firstly, personnel training aimed at increasing the labour productivity; teaching the “exactly on time” style of work; overview of all systems of labour payment aiming at ensuring the optimal correlation of price and quality to avoid the unnecessary expenses; secondly, not only forecasting various situations of internal and external environment but also the means of influence on them; thirdly, the actions on creating friendly relations in the team; fourthly, the plan of demand for the personnel and the methodology of employment, selection, additional employment and layoff.

This classification helps make the choice of the HR management strategy taking into account various factors influencing it.

Shaping the strategy of the HR management is a complicated process depending on many factors and requires putting clear emphasis on its stages.

It is advisable to explain the matter of the process of the HR management strategies formation by the methodology of the IDEF0 structural analysis which suggests the graphic presentation of the processes as the functional blocks. Each functional block is characterized by turning the input (the resources necessary to realize the project) into an output (the result of the process). The resources can be logistics, power resources, human resources, informational resources, etc. The process is accomplished with the help of a certain mechanism not by itself, it is managed by a certain person. Functional blocks are connected by the lines and arrows showing the links between them.

Implementation of the IDEF0 structural analysis includes building the context (A0) (fig. 1.7) and decomposition (A0, A1) charts.

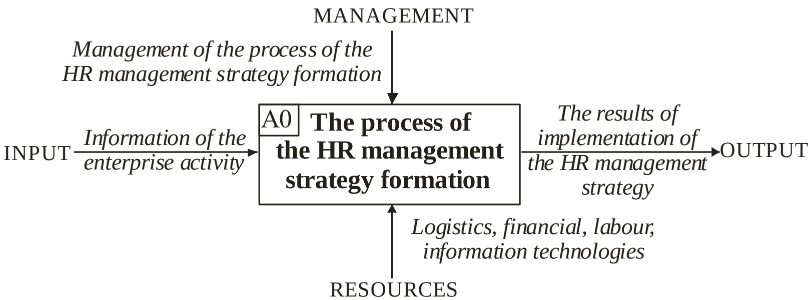

Figure 1.7. The context chart of the process of the HR management strategy formation

The essence of the process of the HR management strategy formation is its development, selection, implementation and assessment [7]. So, the first level decomposition program of this process (A0) includes three main subprocesses: development (including selection), implementation and assessment of the efficiency of the HR management strategy implementation.

The decomposition programs of the second level explain the nature of the given subprocesses of the HR management strategy formation (fig. 1.8).

The basis for the evelopment of the strategy of the HR management ("the input" of the subprocess) is the information on the MTE work (the special features of work, the level of development, its position relative to the competitors, the production and human resource potential, etc.); on their basis the identification of the number of types of activity (its business units) is made. An individual strategy of the HR management is shaped for every single business unit of the MTE.

Thus, theoretical and methodological principles of development of the strategies of the HR management have been improved: the concept has been specified; the classification features have been substantiated; the approach has been elaborated; the process of formation of the HR management strategy developed on the basis of methodology of using the IDEF0 structural analysis has been offered. Its principal distinguishing feature is development of the general and tool strategies of the HR management separately for each business unit of the enterprise.

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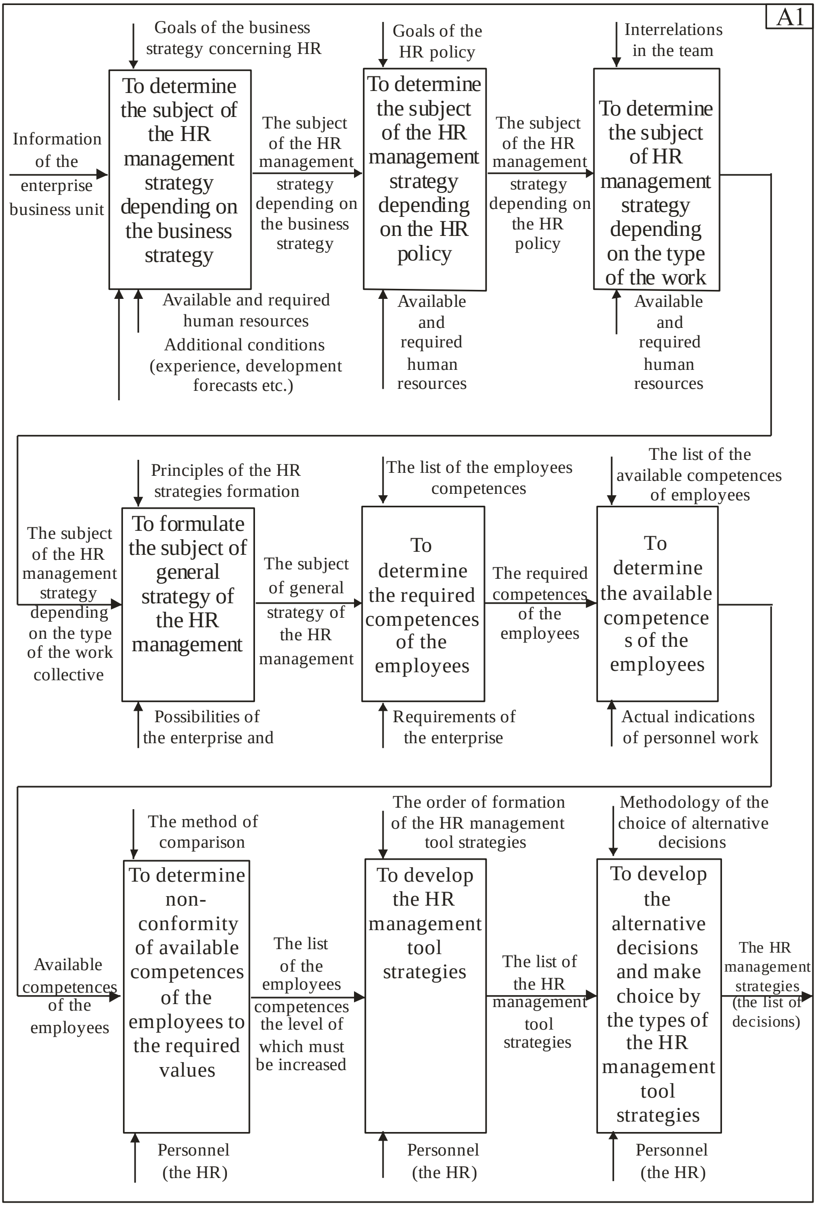

Figure 1.8. The chart of formation of the enterprise HR management strategy (the development subprocess) (the decomposition program of the second level)

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STAFF DEVELOPMENT IN UKRAINE: CHALLENGES AND EDUCATIONAL OPPORTUNITIES

One of the most important components of human resources management is staff development, aimed at consistent improving and increasing of professional knowledge and skills. Its peculiarity is the fact that the students who are adults already have some knowledge and practical skills of their work, can relate critically to educational material, and want to get the exact information needed for their profession and self-development.

Today the problems of the labor market, and especially staff development in Ukraine, concern the inadequacy of needed and provided education. The discrepancy of higher education and labor market requirements lead to the situation when trained professionals remain unsettled or their skills do not comply with the needs of the modern business environment. To improve this situation the adequate and comprehensive system for skills upgrade in Ukraine is necessary.

Staff development is a learning directed at maintaining and improving professional skills and knowledge of staff.

The need of a professional development of the company's staff is caused by changes in the external and internal environment, improvements in the management process, development of new branches and areas of business activities. Staff training should be comprehensive in scope, but differentiated for certain categories of workers, continuous, and oriented on perspective professions. For this goal particular courses and trainings are organized that are grounded on principles of andragogy that is perceived as science of understanding and supporting lifelong education of adults.

Modern training programs aim to teach workers their own thinking to solve complex problems, work in team, and apply the obtained information and skills. They give knowledge beyond the basic profession and form a desire to learn. Still, in Ukraine, they are based on and depend on the educational system.

The Educational system of Ukraine is functioning and changing due to the changes of the political, economical, social & cultural and technological factors in the country.

In the area of education and upbringing are involved 7% of Ukrainian professionals who teach 11 million students (22% of the population).

All educational institutions, including higher educational institutions are required to be licensed by the Ministry of Education & Science to be eligible to conduct specific activities and award Diplomas, Certificates or other documents upon completion of study. The Ministry of Education & Science remains the only accrediting body of educational institutions in Ukraine, though the accreditation criteria have been recently changed. Recognition of qualification gained is the priority of the state. The State Diploma serves as both an educational certificate and a professional licence. In case of successful graduation of a university students get the Diploma, no matter what form of property it refers to. The transcript of the subject list with marks is attached to the Diploma. Although the state guarantees the conformity to standards of qualification, the employer takes into consideration how authoritative the university is. In 1995 the Bachelor and Master degrees were introduced to replace the previous single-level specialist degree. And in 2005 Ukraine signed the Bologna declaration.

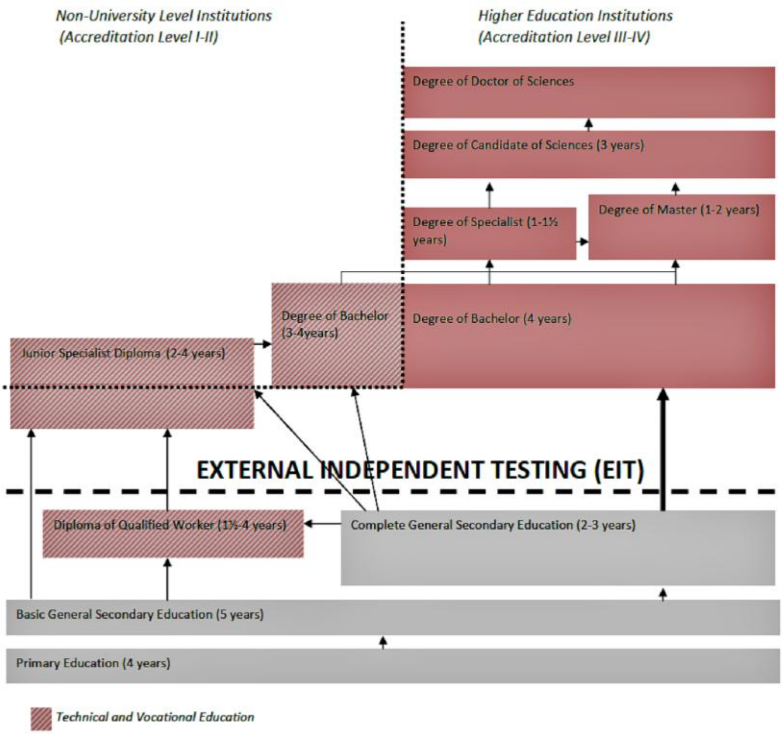

Figure 1.9. Overview of the Ukrainian Educational System

The Law on Higher Education (2002) establishes a three-level structure of higher education: incomplete, basic, and complete educational levels with corresponding educational-proficiency levels of Junior Specialist, Bachelor, Specialist and Master. In 2016 the Ministry of Education & Science transformed this system to the levels of Junior bachelor, bachelor's, master's, Doctor of Philosophy and Doctor of Sciences.

Ukraine is a part of the Bologna process (European Higher Education Area) which stands for uniform academic degree standards and quality assurance standards with 46 participating countries. Therefore, Ukrainian degrees are recognised globally (even by UNESCO, European Association of Universities and European Union) and accepted as equal with degrees of other participating countries. The implementation of the ECTS system or of a similar credit system will allow for greater student and (academic) staff mobility.

Taking into account above mention facts the following groups of stakeholders involved in staff development are defined:

1. Ministry of Education & Science (MOES): coordinates the activities of higher schools and supervises the higher schools which are under other ministries.

2. The National System of Quality Assurance (QA) in Ukraine: Licensing and accreditation are the most important procedures to ensure the quality of education in Ukraine. Quality assessment also includes procedures such as testing of graduates, development of monitoring and rating systems etc.

3. Higher Attestation Commission of Ukraine

4. European Association of Universities and European Union

5. Students: different groups

a. **Bachelor students** (Professional diploma of Bakalavr is generally awarded after four years of successful study (six years for Medicine). The Bachelor programme comprises basic higher education and professional training in a given field. It is an intermediate degree)

b. **Specialist** (The degree (Diplom) of Specialist is awarded after five or six years of study, depending on the type of institution. In 2016 the specialist degree was disbanded in Ukraine.

c. **Master students** (The Magister (Master's Degree) is awarded on the basis of a Bachelor's Degree or Specialist's qualification generally one to two years after the first degree. Students must pass final examinations and defend a thesis).

d. **Adult students** (**Lifelong higher education:** continuing education providing teaching based on the principles of general higher education. Obtaining Diplomas depends on credits obtained in required topics, as well as on the presentation of a paper)

e. International students

f. **Transfer Students: Participation of country in multilateral or bilateral higher education programmes (**exchange programme: Erasmus Mundus, exchange programme: Tempus)

g. Student Organizations

6. Doctoral students. University level third stage**:** Ukraine keeps a two-degree system at doctoral level: Kandydat nauk (Candidate of Sciences, comparable to the Ph.D.), and Doctor nauk.

a. **Ph.D. students** (Doctoral Degree-1: Kandydat nauk (Candidate of Sciences, comparable to the Ph.D.) A Western style PhD is ntroduced alongside the Degree of Candidate of Sciences. The first qualification is obtained after three or four years of study by submitting and publicly defending a thesis and passing the required examinations. The candidate's thesis can be prepared while following various forms of post-graduate studies.)

b. **Doctoral students** (The "Doctor nauk" is the highest scientific degree in Ukraine, comparable to "Habilitation" in some Western countries. It is awarded to candidates already holding a "Kandidat nauk", on the successful presentation and defence of the "Doctor nauk" (habilitation) dissertation. The Habilitation dissertation should represent a major contribution to the development of a given field or branch of learning, and has to be published entirely or at least its main parts)

7. The University staff with academic status: includes professors, associate professors, assistant professors and senior research assistants. A professor should normally possess a Degree of Doctor of Sciences [доктор наук /doktor nauk], i.e. the highest scientific degree in Ukraine.

8. Distance higher education

9. Postgraduate education The *Law of Higher Education (Article 10)* and the *Law on Education (Article 47)* regard Post-Graduate education as specialised education and professional training on the basis of the previously obtained educational-proficiency level and experience of the practical work. It is defined as retraining, specialisation within a profession; expansion of the professional profile; probation within a profession, i.e. post-qualifying education or continuous professional development. The system of Postgraduate training serves as a ground for lifelong learning.

10. Lifelong learning **(LLL)** is conceptualized on the one hand as the progression through *academic qualifications*: Bachelor, Master, *PhD***,** *Doctor of Science*. On the other hand, it also covers a wide range of educational courses designed for: 'second chance' *students*; for those who wish to change occupations; for *on-the-job training* for citizens in *employment***;** for updating *professionals*; for second diplomas where only the specialist part of the curriculum needs to be followed; and to provide secondary school certificate for those who left school without qualification.

11. A network of correspondence and evening courses is intended for persons who are already employed. Candidates for such courses must not only pass an entrance examination, but also prove they effectively worked for a certain time

12. Pre-higher Education Schools:

a. **Primary Education** (Length of program in years: 4; Age level from: 6 to: 10);

b. **Basic General Secondary Education** (Length of program in years: 5; Age level from: 10 to: 15);

c. **Complete General Secondary Education** (Length of program in years: 2-3; Age level from: 15 to: 17-18; Certificate of Complete General Secondary Education [Атестат про повну загальну середню освіту /Atestat pro povnu zagal'nu serednyu osvitu])

d. **Technical and Vocational Education (**Diploma of Qualified Worker (1½-4 years), Junior Specialist Diploma (2-4 years), Degree of Bachelor (3-4years)

13. Higher education institutions: the majority of Higher education institutions are concentrated in main metropolitan areas in Ukraine such as Kyiv, Kharkiv, Dnipropetrovsk, Odessa, Lviv.

14. The university education infrastructure: libraries and laboratories, faculties.

15. Council of Rectors of Ukrainian Institutions of Higher Education

16. Professional Organizations

17. Business: Business: organizational entities involved in the provision of goods and services to consumers interested in increase of their competitiveness, investment attractiveness and development of partnerships with foreign investors; companies' employees who want or need to improve their professional management skills; investors looking for potential investment project

The overview of the different macro-environmental factors to be taken into consideration is made with the use of PEST Analysis.

Key external factors that affect the staff development and education system of Ukraine in general are as follows:

Political: political instability increases the possibility for cross-border cooperation in different fields: new education programs development (for example anticorruption educational programs); for business provide opportunity for raising foreign direct investments in the process of eurointegration.

Economic: economic crisis stimulates the development of innovative approaches aimed on solving existed problems in doing business in Ukraine. As a result, there is a necessity of new education programs introduction, especially, for adult students for quick upgrading their professional skills.

Table 1.4

PEST Analysis results

	Issues & impacts to be included in the OAP	**Issues & impacts to be observed and considered in the future**
1	2	3
Political		
Relations with neighboring countries	- Significant loss on the Russian market share (Russia was Ukraine's largest export partner) - Limits of the export of Ukrainian goods - Spark of cross national conflicts - Large amount of political uncertainty remains as a result of the military conflict in the east of the country	- Association Agreement with the EU includes Deep and Comprehensive Free Trade Area (DCFTA) accords - The possibility of Ukraine joining the "Baltic-Black Sea Union" - The influence of Agreement on free trade zone between Ukraine and the EU - Introduction of visa-free regime
Security of Doing Business	- Dependence on steel exports and natural gas imports - The Ukrainian labor market suffers from outdated, rigid, and inconsistent regulations - The prevalence of state-owned enterprises hinders private-sector development -Problems concerning financial and information security of business - Overregulation of business activity	- Dependence on steel exports makes Ukraine vulnerable to global financial turmoil - Months of political chaos have left the country short of funds - The need for fundamental changes in the relationship between state and business
Corruption	- the high level of corruption scares away potential investors - imperfection of the legislative, executive and judicial systems due to the great potential of subjective evaluations - large number of corruption schemes - acceptance of corruption as a normal thing within population	- Development of anti-corruption compliance programs - Development education program in anticorruption management

table 1.4 (continued)

1	2	3
Foreign Investment Policy	- Iinvestment framework remains underdeveloped -Reduction of investment attractiveness of Ukrainian business - Strategic industries remain unnoticed by foreign investors - Low level of infrastructure that could provide rapid operational link between Ukrainian business and foreign investors; - Foreign investors lack of knowledge about the features and advantages of investing in Ukraine	- The need for new methods of management and marketing implementation in all areas of economic in accordance with European standards
Tax system	- The existence of the practice of illegal tax audits - Instability of tax system - Overregulation of tax system	- Effective methods of tax planning and management
Economical		
Inflation rate	- Increase in short-term loans - Reduce of real wages - The low purchasing power - Consumer prices increased - Sharp declines in private consumption	- The need to develop measures to improve the financial situation in Ukraine, effective stimulation of business activity and entrepreneurship.
Banking	- Many banks are being closed - Fraud in banking - Bank loans are very expensive - Lack of alternative sources of additional capital - Lack of confidence in the financial system - The large number of non-performing loans continues to be a drag on the banking system	- Cooperation with nonresident banks
Capital market risks	- Ukrainian business lacks knowledge in the mechanisms of raising capital through the capital market - Underdeveloped domestic capital market - A small fraction of shares in the stock list - The use of short-term loans at	- the need to establish a mechanism for assessing and managing risks, easy to understand for domestic enterprises and foreign investors - the need to develop practical educational programs for leaders of

table 1.4 (continued)

1	2	3
	high interest rates - Poor quality of corporate governance, and as a result, a risk of hostile takeovers - Low level of professionalism of many companies' topmanagement	Ukrainian enterprises
Currency regulation	- NBU Restrictions related to attracting of investment capital - limited possibilities of currency resources usage - significant spending of time and money on operations on purchase and sale transactions of currency	- Gradual liberalization of currency regulation
Social & Cultural		
Urbanization	- Various economic activity by region - The need to expand prospects for SMEs - The outflow of qualified personnel, managers and clients in favor of big cities	- Improvement of the infrastructure that will increase the attractiveness of life in the village
Demographics	- High rates of population aging in Ukraine - The negative migration balance - The workforce has declined due to emigration and aging of the population - The threat of falling intellectual potential - Great burden on the labor forces	- likely shortage of skilled manpower
Lifestyle	- Distrust in government - Ukrainians are known for their hospitality, hard working, tolerance and creativity	
Households	- Increases in the prices of housing and utilities	
Technological		
IT-Sector	- Growth of number of the Internet audience in Ukraine - One third of Internet users from Ukraine use online stores or auction portals as a place for purchasing various goods	- Distance learning technology development - Local providers are expanding into the international market - Providing reliable

table 1.4 (continued)

1	2	3
		IT services
R&D	- Excellence in Software Engineering, Infrastructure Management, and Information Security	-Long-term partnerships with clients to empower new flexible business capabilities, to drive continuous technological and service improvements, and to reduce costs
Technological security	- The lack of modern fixed assets - weak performance in the field of innovations	- Creation of favorable conditions for innovations
Information security	- Vulnerability of information flows - Increase in IT usage in business processes	- The increasing role of electronic document management

Social: problem of ageing populations fosters the development of the education programs for adult students, demographic changes (negative migration balance) demands English language education program development

Technological: possibility and demand for distance learning implementation have been significantly increasing.

SWOT Analysis Internal Key Problems & Possibilities

Problems	Possibilities
1. Low level of cooperation with business 2. Low level of international recognition, absence of international partner for the comparative prestigious MBA program development 3. Low level of practical education programs for adult students	1. Development of **Cross Border Networking Platform** for communication with business 2. Development of **Cross Border Institutional Networking Platform** for establishing partnership with universities 3. **International Consulting and Professional Education Center** Creation

The dynamics of global business demands frequently update education programs.

On the base of PEST and SWOT analysis we defined three key problems:

PROBLEM 1: Low level of cooperation with business

Weaknesses (Internal perspective)	Threats (External perspective)
- The large number of intermediaries, consultants when implementing business processes - Information asymmetry: foreign investors lack the knowledge about the features and advantages of investing in Ukraine - Low investment attractiveness of Ukrainian business - Incomprehensible for a foreign investors structure and reporting of Ukrainian enterprises - Ukrainian companies lack the understanding of investors' expectations	- the lack of capital for the implementation of promising projects, fixed assets update - Increase in the number of unprofitable enterprises and industries - Increase in the number of bankrupt enterprises

PROBLEM 2: Low level of international recognition, absence of international partner for the comparative prestigious MBA program development

Weaknesses (Internal perspective)	Threats (External perspective)
- Curricula are left behind the needs of business - Lack of interrelation of business and education - Inadaptability to the rapid changes in the external environment - Lack of incentives to study due to the high cost of additional education - Forced search of educational courses abroad - Professors do not always have the practical experience and it also affects the quality of education - Current financial motivation does not allow universities to attach practicing professors to teaching for a long time	- Lack of skilled professionals - Companies lose competitive positions on the market - A significant increase in spending on services of a large number of consultants - Unsubstantiated standardization and optimization of higher education in Ukraine

PROBLEM 3: Low level of practical education programs for adult students

Weaknesses (Internal perspective)	Threats (External perspective)
- Inconsistency of theoretical principles to modern practical realities of business - The reluctance of businesses to invest in education - Majority of Ukrainian companies do not understand the necessity of learning how to do business - Low confidence in educational programs - In majority cases Languages of instruction still is Russian or Ukrainian, there is a lack of English language training programs	- Companies' management ineffectiveness - The probability of large losses due to incompetence of staff - The complexity of strategic planning of further development

POSSIBILITY 1: Development of **<u>Cross Border Networking Platform</u>** for communication with business

Strengths (Internal perspective)	Opportunities (External perspective)
- The establishment of partnerships between foreign investors and Ukrainian business - Consideration of alternative outlet markets - Increase of information transparency of Ukrainian companies - Formation of the company's investment proposals that meet the expectations of foreign investors	- Increase of investment attractiveness of Ukrainian enterprises - Increasing volumes of foreign investments - Sustainable economic development of the country - Support and maintain the business initiatives of companies looking to join the Europe market by providing strategic and logistical advice

POSSIBILITY 2: Development of **Cross Border Institutional Networking Platform** for establishing partnership with universities

Strengths (Internal perspective)	Opportunities (External perspective)
- Emphasis on practical training of qualified managers - Involvement of practitioners in the field of business activity - Establishment of sustainable cooperation between universities and business - Cooperation with international educational organizations	- Forming database of problem situations in the business for further development of training programs of different educational levels - Increase of profitability of Ukrainian enterprises

POSSIBILITY 3: **International Consulting and Professional Education Center** Creation

Strengths (Internal perspective)	Opportunities (External perspective)
- The introduction of innovative educational methods - Emphasis on international experience and practices - Development of programs that meet the needs of business - Engagement of professors with experience of researching and teaching abroad	- Individual approach to customer needs - Possibility of distance learning - International certification - The basis for creation of business school - Possibility to incorporate different teaching styles and methods into educational system

1. **Low level of cooperation with business**: Changes in business practice are essential to achieve progress in business education. During recent years, the University took steps to cooperate with business, namely in organization practices for students. This cooperation has been beneficial in creating positive actions at the short-term training for business. We suggest to launch and to administrate the **Cross Border Business Networking Platform** for our contribution to business partnership development. Companies that will joint this networking with our help (different service will be suggested) will get opportunity to find partner for their business inside and outside Ukraine. Our service will permit to strength long-standing cooperation with business on the base of mutual benefit.
2. Low level of international recognition, absence of international partner for the comparative prestigious MBA program development:

difficult political and economic situation in Ukraine does not stimulate international cooperation development.

3. Low level of practical education programs for adult students: lack of up-to-date skills update programs that will help to gain complex knowledge, new patterns of thinking and new perspectives. Existing training programs generally lack modern equipment, material and experience with adult training creating barrier to developing the necessary capacity.

In such situation there is strong necessity to improve education infrastructure by means of facilitating continuing education programs for helping professionals advance skills, stand out in a competitive job market in cooperation with business partners and institutions.

We suggest creation of International Consulting and Professional Education Center, a communication platform for building relationships and helping private companies to grow through providing long-term support in the establishment of strategic partnership.

The mission of CBNP is to provide opportunity for companies to build strategic partnership and to accomplish successful expansion into the Europe market.

CBNP basic services:

- Market-Scan for companies who are in the early evaluation phase of market entry.
- Business Plan Development
- Auditing
- Identification of partners and investors

1. Creation of **Cross Border Institutional Networking Platform (CBINP)**
2. **International Consulting and Professional Education Center (ICPEC)** will provide adult students with the information support for continuing education and training to get latest knowledge and practical insights to enhance their professional development and advance their careers.

The mission of the ICPEC is to provide a unique approach to learning for adult student that build upon abilities and international experience, add knowledge, and develop skills to help achieve personal and professional goals with significant flexibility and individual approach.

Focus groups are:

- Existing managers and entrepreneurs who wish to gain further insight of modem business challenges in 21st century.

- Experienced managers striving to advance their careers.
- Working people, students who wish to increase their value on the job market or successfully start their own business.

On the base of **Cross Border Business Networking Platform** and partnership with the leading international consulting and education organizations (**Cross Border Institutional Networking Platform**) the business professionals all over the world will allow students to learn from experienced professionals who incorporate the latest theories with established knowledge.

ICPEC will provide involvement/support for the partner organization in marketing materials, website and other communications. On the base of constant monitoring **ICPEC** will develop new **Skills Upgrade Program** for adult students. In case of necessity the translation into native language will be provided.

ICPEC will suggest on the individual base for each adult student in accordance with personal and professional goals, possible time investment and financial resources **adult education opportunities. Also ICPEC** will provide the opportunity for getting practical experience as in home country, and also abroad.

Students will choose from the many programs offered by the center. Courses can range from three-hour seminars to 180-hour certificate competence-based programs will be suggested and take place on the base of **ICPEC, as well as onsite at partner organizations. We also will direct students to other adult education opportunities throughout the Cross Border Business Networking.**

All courses will be based on the business environment necessity. Students attending these courses and programmers create feasible strategies, which correspond exactly to their professional specialization and increase their professional competence.

The format and flexibility of ICPEC courses will meet the needs of today's adult learners and will be designed to fit into demanding schedules. In future ICPEC will offer in-person classes, online courses, and programs that are a combination of both. These diverse course platforms will allow adult professionals to choose a learning style that works best for them.

Moreover, **not-for-profit International Continuing and Professional Education Center (ICPEC)** will be free from government overregulation and flexible for business environmental demand and will focus on best international practice implementation on the principals of transparency and partnership.

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CONCEPTUAL ASPECTS OF GLOBAL HUMAN RESOURCE MANAGEMENT

Historically, society has varied a conceptual attitude to the person and management which allows certain historical periodization [*7*; *10*; *15*; *16*]. Until the XIX century management approaches were based on the notions as for building the world, and social and economic relations shaped by the writings of theologians, rulers of countries, mercantilists, physiocrats. The modern history of human resource management in the economic field began in England in the early 1800s during the era of masters and students and further developed during the Industrial Revolution. Over time, the change of attitude towards the management of the person and his/her development took place. It was caused by the nature of scientific and technical progress deployment, increase of the human population, destruction of the traditional class structure of the society and the formation of the scientific approach to the management of people in the production process.

In the early XX century, based on the conceptualization of the factors of production (the works by A. Marshall, K. Menger, J.-B Say, J. Schumpeter), the scientific approach to management started to form (M. Weber, H. Gantt, H. Emerson, F. Taylor, M. Tugan-Baranovsky, H. Fayol, H. Ford) and the concept of "Scientific Management" was developed. An individual was seen as a means of achieving production results. This approach was characterized by little attention to the personality development, a limited legislative impact on employers, the emergence of management theories.

In 1920-1940s the concept of "Personnel Management and Labour Resources" arose. In the framework of material incentives in production (L. Gilbreth, E. Mayo, S. Strumilin, L. Urwick, M.-P. Follett) an individual was defined as a carrier of labour functions and a living appendage of the machine. This involved accounting for the basic necessities of life and development, the formation of labour laws and Trade Union movement, initiation and promotion of research in the field of labour and employment by states.

In 1950-70s the concept of "Personnel Management" was formed which led to the emergence of organization and administrative approach to human relations and development (G. Becker, F. Herzberg, D. McGregor, A. Maslow, and T. Schultz). An individual became a personality and the subject of social and labour relations. It assumed the increase of the individual’s role in production, the application of the simplified measures of general and professional development, optimization of labour legislation, increased competition, formation of specialized sciences to study the individual, significant role of the trade unions.

In 1980-90s the concept of "Human Resource Management" was singled out. The organizational and social approach to human capital formation was developed (M. Armstrong, D. Guest, P. Drucker, M. Desai, M. Nussbaum, W. Ouchi, A. Saint-Simon, M. Hack). The individual was determined as the main resource of production, while human life and well – being as the highest value of social development. This has required the active introduction of advanced measures of general and professional development, attention to human development, a strategic approach to management, global powerful state and corporate impact on human rights.

At the end of the XX century the concept "Management of a Social Personality" appears. It formed the humanistic idea of social personality management in the context of globalization (B. Genkin, H. Graham, A. Grishnova, A. Ivo, V. Kapoor, P. Sparrow, C. Truss, A. Haslinda, etc.). The individual appears the main subject of management and is not considered as a resource of production. The desires and abilities of the person, the interests of this person, organization, society are taken into account. The self-management of personal development is accentuated. Human activity is carried out in the conditions of globality and freedom of movement.

In the XXI century, human resource management experiences the transformational changes in connection with changes in the nature of social relations. The combination of the traditional provisions of the management and innovative approaches determines the gradual transition of the value orientation of organizations and public institutions to new forms of management culture [*19*]. It should be noted that the human resources in modern conditions of the global world development begin to identify properties formed by a society. They moved away from patriarchal, biblical, and classical foundations of relations, acquiring transformed social and economic properties. For example, in the framework of the neoclassical economic theory from the works of J. Ingram, V. Pareto, E. Spranger, J. Mill the concept of “Homo Economicus” was formed. It examines the behavior of the person acting in his/her own interests, rationally, maximumally directed to their own good, responds to the constraints of the living environment, has stable preferences, manages information, creates a threat to society [5]. The evolution of the economy led to the formation of the role concept “Homo sociologicus” (“social man”) by G. Dahrendorf. It takes into account the limits of rational behavior, the complexity of the decision-making process, future expectations, and rushes to be praised by others, to power and career. The concept “Homo reciprocans” (“mutual person”) determines that a person wants to improve his/her living environment, primarily through collaboration. In the literature there are other definitions of the individual in society: Homo faber (“man is the Creator”), Homo universalis (“man is universal”), Homo historicalis ("man is historical"), Homo sacer ("man is rightless"), Homo scientia ("man is learned"), Homo politicus ("man is political"), Homo religious ("man is religious"), Homo novus ("man is new"), Homo ludens ("man is player"), Homo parasitus ("man is parasitic") Homo Intelligens ("man is intelligent"), Homo creativus ("man is creative"), Homo intellektus ("man is smart"), etc. In the continuation of reflection of high human qualities in the manifestation of social existence, the desire can be noted of the mankind to find the full description of the role and importance of the individual in the Universe and to structure the future social development that gives rise the thought about the feasibility of the emergence of "Homo idealis" ("Homo commenticius", "idealicus Homo", "Homo specimen", "Fiat Homo") – " man is perfect". He or she embodies all possible wishes of quality at all stages of the life cycle (healthy, beautiful, smart, educated, independent, productive, rich, non-criminal, and so on, that is publicly sinless). In our opinion, this wish is false and incompatible with the realities of human nature as a result of the influence on any person of the burden of his or her ancestors in the genetic and public dimension, the possibility of creativity and freedom of expression, human variability, and heterogeneity of the conditions of human activity which leads to the complication of the of the behavior standartization. Positioning of any person in this role is a fraud.

Accordingly, the management of people as resource compared to other resources in the modern high technology world appears to be a very complex matter. Therefore, the management of human resources requires a conceptualization and application of special approaches and methods of managerial influence.

All these circumstances determine the necessity of definition of human resource management characteristics compared to others – natural, financial, energy, material and immaterial. In our opinion, the features of human resource management are the following:

- functioning in a naturally confined environment of livelihoods;
- intelligence;
- freedom of choosing places and spheres of livelihoods;
- unidirectional life cycle;
- limited self-sufficiency;
- limited hours of labour exploitation;
- self-recovery;
- reproductive function;
- inadequate management of the impact and result;

- the multivariate effects of managerial influence;
- individual interests;
- the complexity of quality;
- the instability of quality;
- individual distribution of quality;
- possibility of individual communications and knowledge transfer;
- mismatch between the external shape and the internal content and so on [17].

The analyzed features of human resource management determine the complexity of managing this type of resources and establish the necessity for a civilized and humane managed impact on their development, not only in some local areas, but also within the whole society. Considering the characteristics of human resource management compared with other resources gives the opportunity to design the original points of management decisions at all management levels. But it should be noted that the administrative aspects of the impact can be applied to available human resources in the constrained conditions of human livelihoods.

Social and economic changes that are taking place in Ukraine significantly affected the system of the society's labor potential. Because of the features of its functioning, this sphere was the least adapted to changes in the economic life of the society. Economic and social development of the country is determined by many factors - geographical location, climatic conditions, mineral resources, fertile soil, availability of transport routes and more. This statement can be confirmed by numerous examples of such highly developed countries as the USA, the UK, Canada, Germany and others. One of the richest countries in the world is Switzerland. The country is located in the heart of Western Europe, it has a favorable geographical position, but it is poor in minerals. There is a high level of economic development of Japan, although it is poorer than Switzerland as for the ground and the subsoil. The main feature of these countries are highly developed labor potential of society, effective management of this potential, maximization of its use. This is the basis of their high development [3].

In accordance with the developments of Western scientists in foreign scientific literature four approaches to the characterization of labor relations of human resources are identified [2].

The first approach is the Neoclassical Economics School. It focuses on self-interested entities in a competitive market, who direct their efforts at providing competitiveness and maximum efficiency, and the interests of employees must be protected and controlled by third-party forces (state, trade unions, public organizations).

The second approach is the Human Resource Management School which is regarded as a school of personnel management. In this approach, the main attention is directed to the interpersonal relationships of the employees of business entities. It emphasizes that labour problems arise from poor quality control and coercion on people, and the role of third party institutions is not considered as positive.

The third approach is the Industrial Relations School which notes that the main problems of social and economic development are generated from an unfair (unequal, inadequate, demotivating) contracts between employers and employees, and the main efforts should be directed at motivational items with respect to compensation and protection of the rights of hired employees.

The fourth approach is the Critical Industrial Relations School which represents the views of the Marxist industrial relations, political economy and the traditional approach. The difference lies in the dominance of ideology, class approach to managing and shaping social institutions to protect the interests of society.

Some foreign scholars do not see the difference between the origins of the terms "human resource management" and "personnel management". They argued that these terms do not have any substantial difference since their functions are similar: support, organization and motivation of human resources necessary for organizations. At the same time the scholars determined that these terms should be interpreted in a variety of ways, but the most acceptable is "human resource management" [10].

According to F. Foulkes and S. Jacobi, the complete human resource management has occurred in capitalist countries, with the practice of U.S. employment that developed in the 1930s. According to this practice, workers received benefits thanks to unions and collective agreements (agreements on employment were achieved by providing long-term employment and other corporate benefits) [4; 12]. This development was supported by President Roosevelt's "New program" and led to "welfare capitalism" that provided health insurance and pensions for employees. In the competition between the capitalist countries and the confrontation of the socialist model of the Soviet Union in the 1980s, it was necessary for the US economy to continue improving the welfare of workers to ensure the productivity. That is why the government had to transfer relations on employment from industrial relations to human.

In accordance with Kaufman's point of view [13] as a result of pluralist industrial relations, two approaches to the human resource management were formed to American relations on employment. They are "Hard" ("hard", "rigid", "mechanical", "resource dimension", "anti-trade union", "associated") and "Soft" ("soft", "humanistic", "intelligent", "humane", "welfare capitalism", "free"). So, "Hard" human resource management focuses on the consent of employees, quantity of products, management, orientation to tasks and development of the organization, and "Soft" human resource management is based on flexibility, negotiation, quality, recognition of the external environment and rights in the employment relationship. The latter is more strategic and long-term [1].

Another way of understanding "Hard" and "Soft" management is viewing the debate between the approaches of human resource management and human relations. So, D. Guest differentiates human resource management and human relations in the sphere of the psychological contract, the location of the control, employee relations, organization principles and policy goals of the organization [8]. At that, he referres human resource management to the "Soft" approach, and the human relationship to the "Hard" approach.

Human resource management is also considered as the style regarding the "Hard" and "Soft" approaches to the employment relationship. The "Hard" style focuses on minimizing the costs and on the resource-directed point of view to work. The "Soft" style provides the integration of a personality and such values as trust and agreement. K. Legge calls the "Hard" style "utilitarian instrumentalism" and the "Soft" style – "evolutionary humanism" [14].

C. Truss, L. Gratton, V. Hope-Hailey, P. McGovern, P. Stiles noted the compliance of these approaches with human resource management theories of motivation by F. Herzberg. The theory of "X" is associated with the "Hard" approache to human resource management and theory "Y" – with the "Soft" attitude [18].

The dichotomy of the "Hard" and "Soft" management approaches originated in the US, but was discussed in British scientific literature owing to the development of a normative model of human resource management by D. Guest in the middle of 1980s [9]. From the point of view of the "hard" approach, human resources is a factor of production and are passive; this approach is similar to the management when people are reduced only to passive objects which are evaluated depending on whether they are skilled as the organization requires; it is an emphasis on quantitative design and business strategic aspects of managing, in some way, control of human resources [6]. The “soft” approach focuses on “human” and is associated with the school of human relations; employees are perceived as valuable assets and sources of competitive advantage due to their commitment, adaptability, high quality skills and productivity; staff are active, not passive, they are capable of development, worthy of trust and cooperation which is achieved through participation; due to the soft approach to management the commitment and performance of employees increases [6].

At that time A. Ivo distinguishes four models of human resource management and clarifies the differences between them [11]. The first is the “Harvard model” (M. Beer, B. Spector, P. Lawrence, Q. Mills, R. Walton – 1984) which is based on commitment, competence and cost savings, and is used at “soft” human resource management. Harvard approach, based on the human relations school, emphasizes the importance of communication, collaboration and use of individual abilities. The second is the “Michigan model” (C. Fombrun, N. Tichy, M. Devanna – 1984) and focuses on “hard” human resource management (people should be managed just like other resources). The Michigan school is a more strategic approach which supports the position of a manager. The third model is “Comparative model by Guest” (D. Guest – 1997). It was used as a comparison of human relations and human resource management that indicates the difference between human relations and human resource management (the last aimed at improving the education, training, selection, motivation of staff, which gives better results). The fourth model is “Model of choice” (F. Analoui – 2002). It offers an integrated effective approach to human resource management. It is a holistic (integrated) model of human resource management, according to which three sources form the policy of management: organizational, individual and external sources. But at this approach, it is necessary to consider the existing gaps between the shaped centre (in developed countries), which is inherent in the above approaches, and the periphery (all other countries), where human resource management has archaic forms of civilization development – slavery, serfdom, feudal relations, totalitarianism and so on.

The author's analysis of conceptual aspects of global human resource management shows the lack of unified mechanisms anf forms. Thus, we state that at the beginning of the XXI century at all management level, the contours of the management influence methodology on human resources are formed [17]. This gives the possibility of determining only the main backbone constituent elements. Due to the complexity of the process of people management as a resource, management mechanisms are formalized only in the framework of different social and economic systems. Their formalization appears extremely difficult due to uncertainty about quantitative and qualitative changes in the global environment of human activity and financial turbulence. Therefore, the priority becomes the problem of providing targeted safe dynamics of mankind development which can be achieved through a civilized and humane management of effects on certain thoroughly scientific basis.

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Chapter 2

SOURCES COLLATERAL AND METHODOLOGICAL TOOLS OF EVALUATION HUMAN RESOURCES

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A COACHING-RELATED SURVEY ON PERSONALITY DIFFERENCES

Self-insight, conscious personality development and the continuous tracking of the changes in our personality play important roles from a leadership point of view. This article summarizes the findings of a Hungarian coaching-related survey in order to reveal personality differences between leaders and non-leaders. Our aim is to contribute to the development of coaching practice and education. The survey concerned measures 11 primary and 5 secondary personality factors based on 165 questions. 100 leaders and 200 non-leaders (100 men and 100 women) were asked to answer a questionnaire. Along with graphs and explanations, the results for each factor are listed below; giving the reader an opportunity to compare them.

Good leaders possess accurate self-insight, which they continually strive to deepen. The basis of accurate self-insight is balance. Both overly positive and overly negative self-evaluations can be barriers to the development of successful organizational abilities. Deeper self-insight helps us to have a clear vision of our aims and how to achieve them. Leaders need to form a picture of themselves that contains both advantageous and disadvantageous traits.

Personality can be measured from various points of view, there are lot of personality tests. However, the motivational structure of the personality is rarely examined by scientists. This structure contains those deep, significant, partly genetic primary needs, which determinate our aspirations, instruments, aims and also the style of our socio-strategies. These motivations or needs are more complicated than our instincts and generic-biological programmes. These drives are also referred to as “psychogen needs”, because they exist in the human-psychic sphere.

The exploration of these factors has motivated lots of scientific researchers to create various instruments and tests.

By filling in the above-mentioned questionnaire, we can compare ourselves in relation to other leaders concerning factors like:

motivation for performance, sociability, aggression, the need for defence, scrupulousness, dominance, exhibitionism, independence, regardfulness, order, and helpfulness; and as secondary factors: the need for self-justification, rational dominance, aggressive non-conformitivity, and passive dependency.

On the basis of these results, we cannot say that one person is a better leader than another. However, if we know our ordinary and less ordinary features, it helps us to orient ourselves and think over our aims. By the means of this survey, which deepens our self-insight, we can find out where we are at the moment and where we would like to go.

In this survey there are no “abnormal” results. Our needs are not good or bad, they just have different values attached to them. By taking a closer look into the mirror we have made, we can estimate our skills and abilities. Furthermore, we can decide what things we would like to develop and the ways in which we would like to develop them.

The results, with our interpretations, are shown below.

PRIMARY FACTORS:

1. Motivation for performance

Motivation for performance is an inner motivation to create something, to win in a competitive situation, to be successful, to show our competences to ourselves and others, and to prove our skills and abilities.

90% of the Hungarian leaders have scores between 7 and 14, non-leader men have scores between six and twelve, and non-leader women between five and ten. People over 55 years of age score 1 point less. The Figure demonstrates that leaders’ motivation for performance is higher than non-leaders’.

People who have higher scores try to show and prove their abilities in every situation. They value work and productivity (and respect it in others as well). They like challenges, competitions, and adventures.

If a person scores fewer points than average, it indicates that he or she is rather quiet, accomodating, less driven and less work-centric. Most of us have some motivation for performance. We differ only with regards to the amount of this quality we possess. Therefore, people should not be judged on their level of motivation for performance. A person who has a score of one is not any less valuable than somebody with a score of 15.

2. The need for affiliation

The essence of the need for affiliation is the desire to belong somewhere. This includes the need for social membership and the need for human relations with relatives, friends and partners. This need played an important role in the past, because it was one component in the quest for survival (the lonely individual died quickly).

Everbody has the need for affiliation: 90% of the Hungarian leaders score between 5 and 12 with regards to this factor, non-leader men score between 6 and 12, and non-leader women between 8 and 13. These scores are unrelated to age. These results do not show a significant difference between the leader and non-leader populations.

People who score above the average have more emotional links to other people such as friends and relatives (not necessarily social relationships). These individuals show attention to the people around them.

People who score below the average are likely to be rather unsociable, lacking in empathy, introverted, and possibily egoistic.

3. The need for aggression

Aggression is not necessarily a negative feature. Survival seems to be impossible without aggression.

Leaders scored between 5 and 11, non-leader men scored between 4 and 10, and non-leader women between 3 and 7. The need for aggression decreases with age: for people above 60, scores of only 1 to 2 points are common. The figure shows that the results for leaders are closer to those of non-leader men than non-leader women.

Individuals who score more than ten are often prone to anger and direct wish-expression. (They also frequently have a need for anger management) These people are often surprised at their scores.

Those with low scores are calm, peaceful and gentle people, who would rather submit, surrender, and give up than come into conflict with somebody or fight. There is no doubt that society strongly reduces the need for aggression, but higher scores do not mean a problem. They just indicate a personality feature that one can use as a drive in various areas of life.

4. The need for defence

This motivation means self-defence. This can include both physical and psychological defence, but also the defence of our self-esteem and the positive picture we have created of ourselves.

90% of Hungarian leaders got scores of between 2 and 9, and non-leader men scored between 5 and 10, as did non-leader women. These scores change slightly with age. The average scores of leaders and non-leaders are very similar, but the deviation is smaller with non-leader men.

People who score higher than average are basically defensive. It is important to them to avoid failure. They often explain away episodes of bad luck and reject criticism, because they have to defend their precarious self-esteem in this way.

Individuals with lower scores tend to be accommodating, flexible people, who are willing to change. These people can easily bear the consequences of failure. They often have very strong self-confidence, but can be modest as well.

5. The need for scrupulousness

In fact, here we are focusing on the characteristic of remorse. We need to believe we act in a moral and decent way. If we know we have not behaved in this manner, we require penance, confession and absolution.

The leaders' scores are between 5 and 10, and are similar to those of non-leader men and women. Between ages of 55 and 60, the score increases by 1. The three curves are very similar, so there are no significant differences regarding sex, age, and position.

People who have high scores are usually scrupulous, fair, faithful, well-balanced, loyal and ethical.

Lower scores indicate people who are frivolous and unscrupulous, and who have less of a conscience. Such individuals have a preference for play-acting and they sometimes break the rules.

People with very high scores (above 13) can be self-destructive and masochistic, while those with scores from 0 to 2 may sometimes exhibit irresponsible, inconsiderate and insensitive behaviour.

6. The need for dominance

The need for dominance means the desire to have power over other people and the wish to be in control. This need motivates people to become politicians, captains, chairmen and leaders in various fields. This trait is in every of one us, we just differ in the extent to which we possess it.

90% of Hungarian leaders scored between 7 and 14, non-leader men scored between 5 and 11 and non-leader women between 4 and 9. For those above 60, the score is 1 point less. The Figure shows that the leaders' need for dominance is much higher than that of non-leaders'.

If a person has a score above average, he/she will probably strive for a leadership position. They will have a strong motivation for leading and ruling over others.

Low scores naturally mean the opposite: an accomodating, rather receptive person who carries out orders obediently and efficiently; instead of a dominant or leading personality type.

Very high scores indicate people who, besides having good social skills, are often very successful. Naturally, on the other hand, such individuals usually have a lot of conflicts as well.

7. The need for exhibition

This need reflects our concerns with our appearance and our desire to push ourselves into the centre of attention. Regarding this need, parallels are often drawn with the good-looking Greek guy *Narcissus*. All of us have this need, even if in some cases we would like to hide it.

Leaders have scores of 6 to 13. The average for non-leader men is between 4 and 9, whilst for non-leader women – at between 5 and 10 – the average is slightly higher. These scores decrease quickly with age: for people above 60, the score is at least 2 points less. Taking all this into consideration, we can conclude that leaders show much more exhibitionism than non-leaders.

Individuals with high scores tend to become actors, politicians, teachers, artists, and even doctors and lawyers. People who work in these professions and who do not have a strong need for exhibitionism worry a lot. The need for exhibition is not only a female feature. Presenting ourselves has been the key to survival since ancient times.

People with lower scores may display characteristics associated with severity, dignity and reserve.

8. The need for autonomy

Autonomy can be defined as having independence, and acting according to our own will and inner compass.

90% of Hungarian leaders scored between 7 and 12, non-leader men and women both have scores of between 5 and 10. Leaders have a greater need for autonomy.

People with higher scores particularly require independence from others, act on their own, and make their own decisions about what they like and what they reject. When making decisions and forming viewpoints, they do not follow public opinion or the advice of others. They make their own rules. They stick to these rules even if they cause conflicts or have drawbacks.

People with low scores are good at making adjustments, and tend to display characteristics of dependence and obedience. They like group decisions, tend to believe public opinion, and can easily tolerate being dependent on others. They are good subordinates. People with low scores are easy to deal with, while those with higher scores can be more difficult.

9. The need for regardfulness

One of the most typical forms of regardfulness is so called “the maternal instinct”, which can be defined as defending, feeding and loving the weak. From a broader perspective, this is the inner need to help the unlucky, sick and weak. This intention is a basic need from ancient times, because only those groups whose team members helped each other during times of trouble could survive (other groups quickly perished).

The leaders’ scores are between 6 and 13, which are slightly less than the scores for non-leader men, who scored between 7 and 13 (average scores). The average for non-leader women is between 9 and 14. These score increase with age by 1 to 2 points. So non-leader women scored the highest, followed by non-leader men, and lastly by the leaders.

People with higher scores tend to be caring individuals who help others because they are motivated by love. Those with lower scores tend to be reserved, neglectful and less empathetic. The need for regardfulness manifests itself not only towards people, but towards animals as well.

10. The need for order

We might wonder whether the order and cleanliness of our surroundings is the result of an instinctual need deeply programmed within us. A broader definition of this term could include the need to order knowledge and memories, and the need for unification. We try to understand the order of the world we live in.

90% of Hungarian leaders have an average score of between 3 and 11. Non-leader men scored between 8 and 13, while non-leader women had an average of between 8 and 12. The deviation of leaders is quite high compared to non-leaders, and their average score is also much less.

Higher scores indicate an increased need for order and cleanliness. Extremely high scores can indicate mania.

Very high scores are often characteristic of rational, intelligent, but introverted people who are sometimes prone to worry.

Those with lower scores are often unconstrained, unfocused and unambitious. There is a need to underline again that extremely high or extremely low scores do not mean abnormal or less valuable people. They simply mean that we are different from each other.

11. The need for help

This motivation means that, when we are in trouble, we need the help, care and empathy of others. The need for help does not have a sexual content.

90% of the leaders examined have scores of 2 to 10. The average for non-leader men is between 4 and 10, and for non-leader women it is between 5 and 12. There are hardly any changes with regards to age. The group with the greatest need for help is non-leader women, followed by non-leader men, and lastly by the leaders.

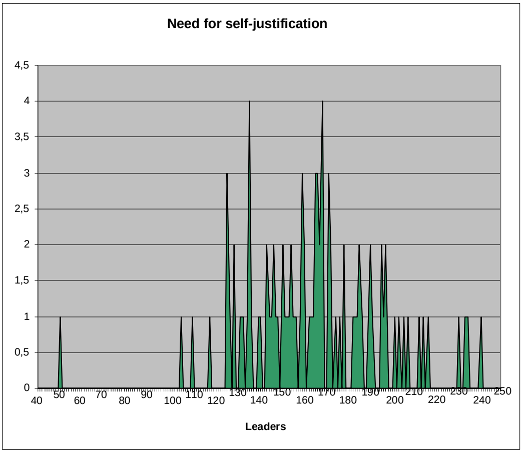
People with high scores tend to depend on others, and they worry if they have to face problems alone. It is clear this motivation has a biological aim.

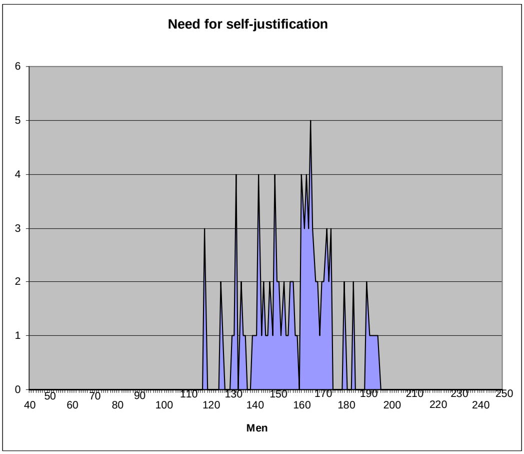
Persons who have lower scores become withdrawn and hide when they fail or get sick. Some of them are disposed to fake illness in order to get the help they so desire from others.

SECONDARY FACTORS:

1. The need for self-justification

This drive is characteristic of the so called “*neurotic*” type. Those with higher scores tend to consistently fail and experience great frustration.





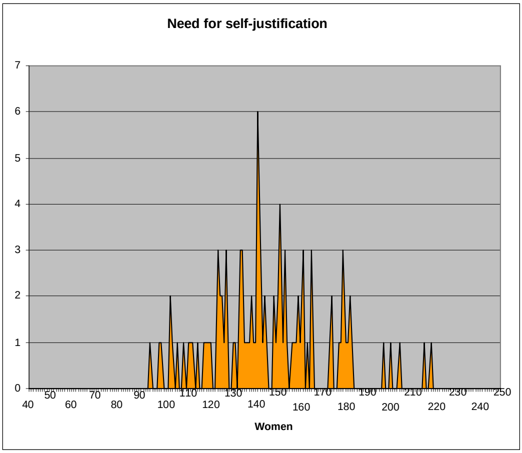


Figure 2.1. Secondary factors

Source: own

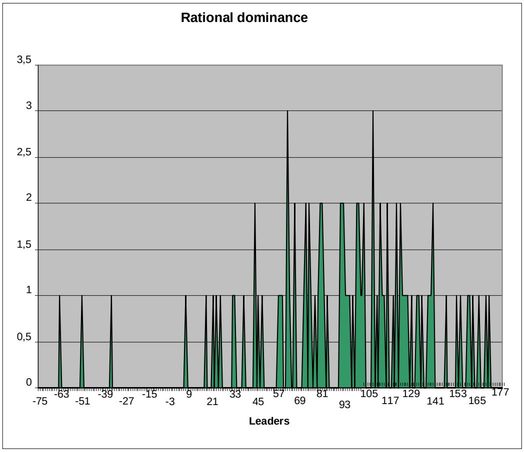
90% of Hungarian leaders got scores between 126 and 216, while non-leader men scored between 120 and 165. So it seems that this difference between these two classes of males indicates that this feature is more important for leaders than for non-leaders.

Higher scores indicate a mixture of the desires for defence and attack. This manifests itself in phenomena such as the need to defend our values against real or imagined offences, the need to prove that our beliefs are true, and adherence to our ideas and our background.

Lower scores may indicate passivity, and a tendency to withdraw from other people and the world. Some people accept their low level of self-respect and build it into their self-image.

2. Rational dominance

Rational dominance can be defined as the desire to overcome others by the use of instruments such as arguments, power etc.


Rational dominance
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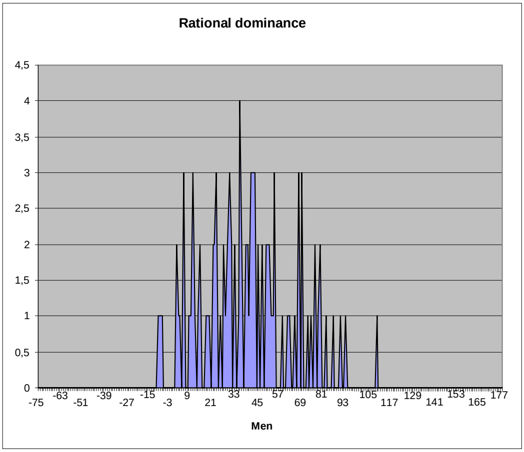
Rational dominance
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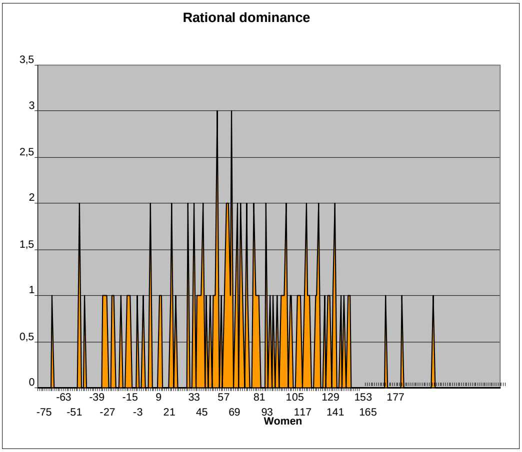


Figure 2.2. Secondary factors

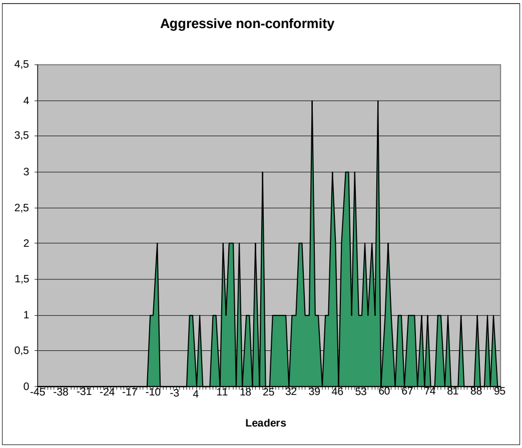
Source: own

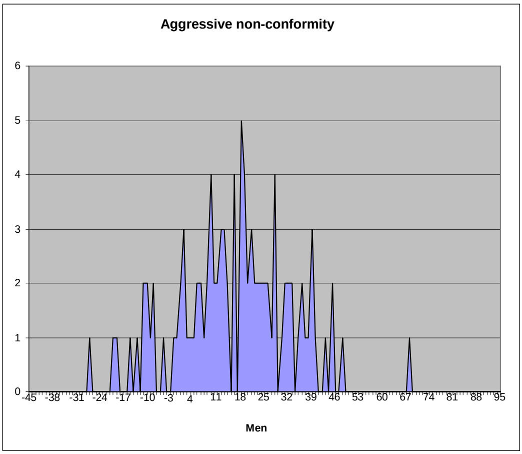
Rational dominance also includes the need for success, the need to compete and the need to manage others. The average scores of Hungarian leaders are between 22 and 160. Non-leader men scored between 10 and 65, and non-leader women between 5 and 40. There is a significant difference between men and women. Scores greatly decrease with age, and women can have scores as good as 0 to 10. We can detect even more significant differences between leaders and non-leaders, because, as our hypothesis states, leaders have much greater needs regarding rational dominance. People with higher scores are competitive and have a need for success. They strive to overcome others, even unfairly, and often at the expense of other human values like care, love, empathy etc. This is especially true of individuals with scores from about 90 to 100.

People with very low scores – especially in the minus range – tend to be unassertive and quiet. They do not enjoy fighting and competing, but instead have other kinds of values. Therefore, there is a significant decrease in the need for rational dominance with age, because the time for fighting passes.

3. Aggressive non-conformity

Aggressive non-conformity can include traits such as rebelling against social traditions, conventions and values. It can also mean following one's individual intentions and wishes, and creating and following one's own rules, if necessary by force. In addition, it can include a general refusal to obey every type of order and authority, and a tendency to rebel against expectations and official institutions.





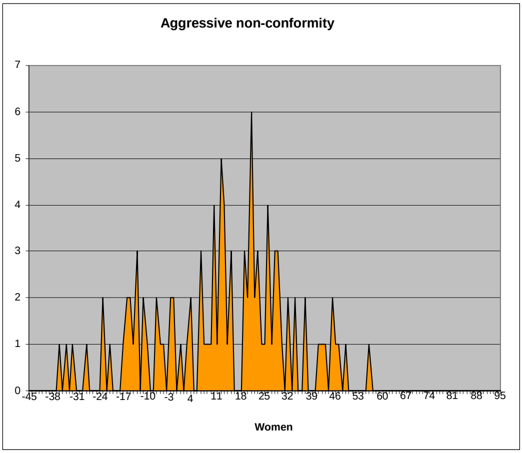


Figure 2.3. Secondary factors

Source: own

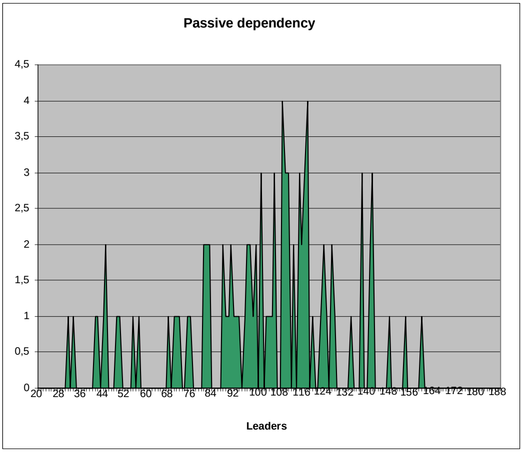
Hungarian leaders got scores of between 3 and 78. Non-leader men scored between 5 and 22, and non-leader women between 10 and 23. So, we can see the trait of aggressive non-conformity is more pronounced amongst leaders.

Higher scores indicate people with the needs mentioned above: in other words, the desire to have one's own way against other people, society and traditions, whatever it takes.

Those with lower scores tend to be accomodating individuals who behave in a respectful manner and are good at making adjustments. Aggressive non-conformity is usually the driving-power behind development and innovation. On the other hand, those with lower-end scores are likely to be people who help to achieve and maintain peace, harmony, warmth and safe human relations.

4. Passive dependency

Passive dependency can include behaviour such as striving for safety, letting others make decisions in important situations, the preference for dependence in order to have safety, and hiding behind other people so as to avoid the weight of responsibility. Passive dependency is a very common human feature. This might seem contradictionary, but we humans are contradictionary creatures.


Passive dependency
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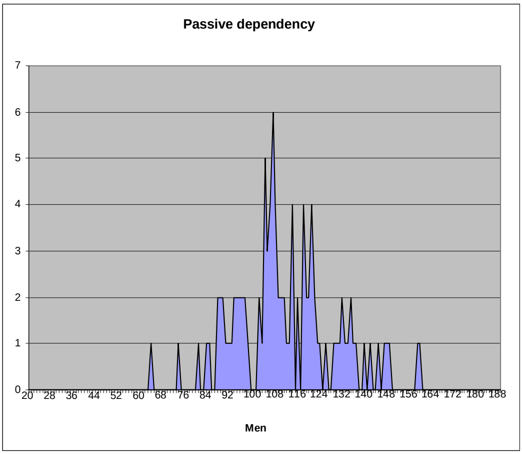
Leaders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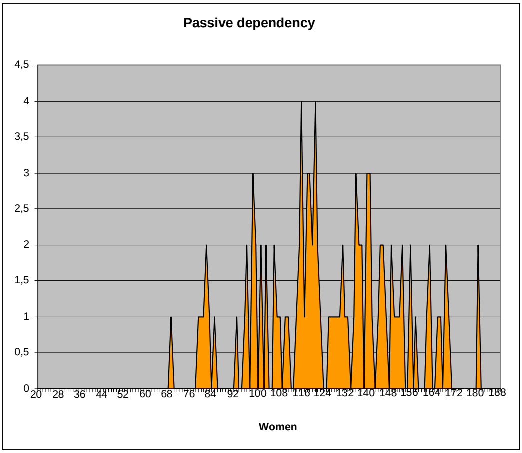


Figure 2.4. Secondary factors

Source: own

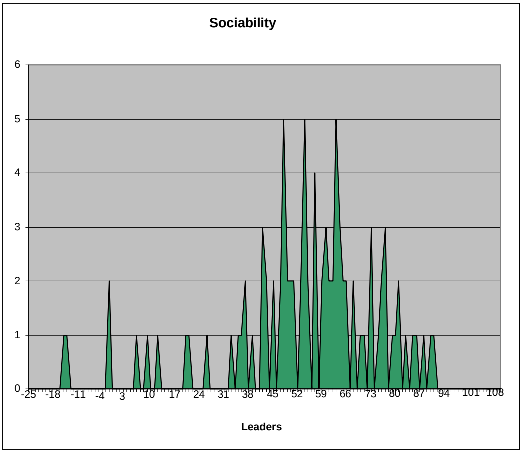
90% of Hungarian leaders got scores of between 45 and 142. Non-leader men scored between 85 and 125, and non-leader women between 100 and 140. There is virtually no change with regard to age. So, the qualities of independence, high performance and assertiveness are more important for leaders than safety and the need for regardfulness.

Higher scores indicate people who are willing to give up their independence for a safer environment.

Those with lower scores have a need for independence, a need to perform successfully, and a desire to be in the centre of attention in various situations.

5. Sociability

Sociability can include the need to be feel one is a social being, the need to belong to a group, and the need to share common activities with others. Sociabilty can also include emotional intelligence, coupled with the capacity for tolerance and warmth.


Sociability
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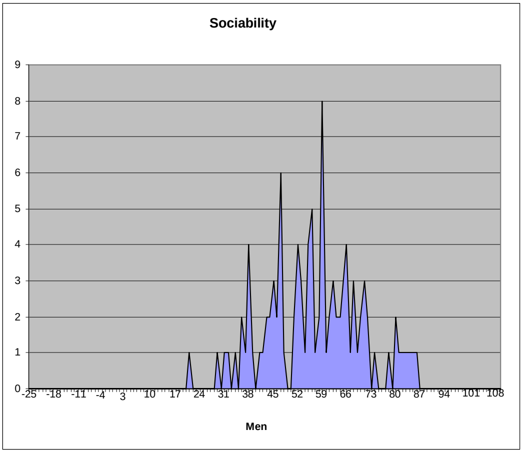
Leaders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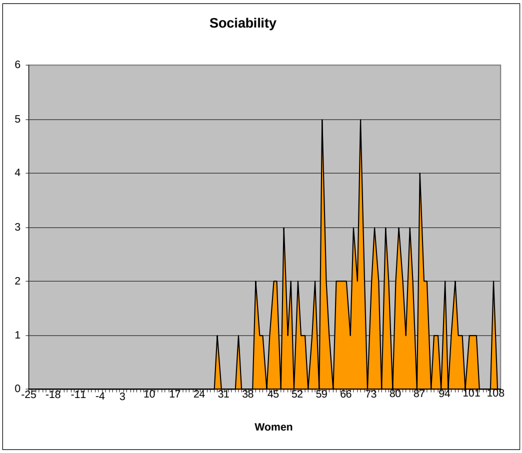


Figure 2.5. Secondary factors

Source: own

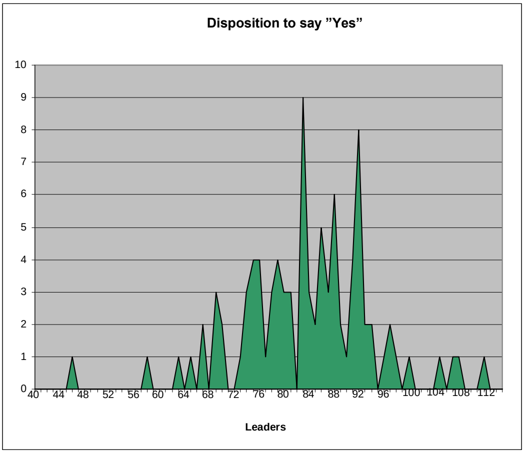
The average scores of leaders were between 7 and 84. Non-leader men scored between 40 and 80, and non-leader women between 55 and 90.

People with high scores are likely to be sociable, open, relaxed, and friendly.

Those with lower scores may often feel the odd man out. They are introverted peope who prefer dealing with facts and objects. People with very low scores are often dreamy individuals with a poor grasp of reality.

The disposition to say “yes”

This is the measure of how far we tend to say “yes” rather than “no” to various questions.


Disposition to say "Yes"
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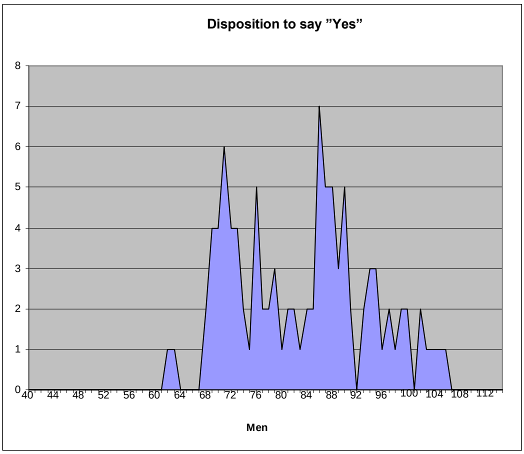
Leaders


Disposition to say "Yes"
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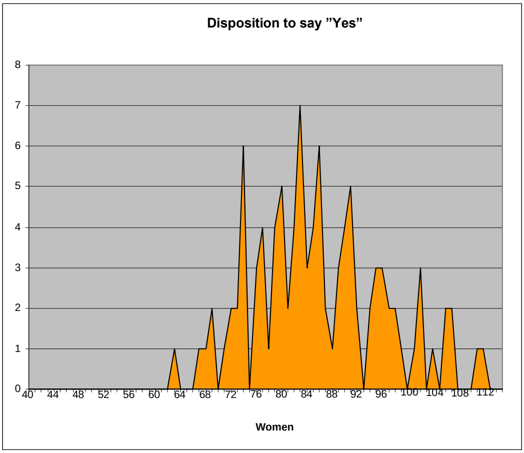

Fugure 2.6. Secondary factors

Source: own

The average score is somewhere between 60 and 100, while 90% of Hungarian leaders got scores of 68 to 99.

If your score is above this, you tend to say “yes” in various situations, so you are a rather accomodating person who likes to agree and accept.

Scores below 60 – and particularly below 45 – indicate rather rebellious, bull-headed people who often refuse, argue and protest. This factor is not a real “psychogen need”, but only a by-product of the test.

SUMMARY

By analysing the test-results, we can explore different personality traits that could be of interest from the managerial point of view.

On the basis of the 17 traits examined, the following list shows the significant differences that were found between leaders and non-leaders. So, leaders:

- have a higher motivation for performance
- have a greater need for dominance
- are more exhibitionistic
- place a higher value on autonomy
- have a lower need for regardfulness

- have a lower need for help
- place a higher value on self-justification
- place a higher value on rational dominance
- have higher scores regarding aggressive non-conformitivity
- have a lower level of passive dependency

There are no big differences concerning the factors below:

- the need for affiliation
- the need for defence
- the need for scrupulousness
- the need for sociability
- the disposition to say “yes”.

These findings can be built into leadership development programmes, in addition to coaching education and coaching practice.

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MULTIDISCIPLINARY TEAM – A NEW QUALITY IN THE PROCESS OF SERVICE PROVISION

Introduction

Modern public hospitals operating in knowledge-based society must seek tools that make it possible to improve their competitive position. The growing interest in the area of human resource management as well as quality, which can be seen both in the global and Polish literature, is a response to the needs of public hospitals management practices. To meet the challenges posed by both the present and the near future to hospitals, taking into account the *new public management* is the aim of this article, an original initiative was taken to adapt the process of building the quality of work of a multidisciplinary team to the conditions of a public hospital providing medical services.

The creation of a smoothly operating and effective multidisciplinary team, providing comprehensive medical services, is a prerequisite in building prosumers' health satisfaction. This is a project that requires integration around a common goal (stakeholders' satisfaction) of people with different specialised vocational fields in a way, which would allow them to cooperate effectively (Jones, 2006). This postulated diversity can become a team's advantage but can also create many organizational and multidisciplinary difficulties. Multidisciplinary and multi-level education (held specializations) is a kind of determinant of the multidisciplinary team's quality of the work. The problems they face are closely related to the specific quality of the processes of provided medical services:

- dissatisfaction with the work in a public hospital (a necessary condition for obtaining specialization). Frustration is mainly due to the difficulty in defining the objectives, the achievement of which closes next stages of professional development of medical staff,
- the uncertainty in the realization of professional roles in a team is connected mainly with its multidisciplinary: the need for interchange ability of roles, accepting to share responsibility for the fate of the prosumer and agreeing to compromises determined by the course of the disease,
- work atmosphere is the result of many important factors, including those related to personal relationships between team members and the status of the multidisciplinary team at a public hospital (health care system).

This publication is an essential tool to look at the quality of work performed by multidisciplinary diagnostic and therapeutic teams in terms of quality of medical services provided in public hospitals. Changing the scope of professional duties as well as modern medical technology (Frenk & et al., 2010) also affect the quality of performed work. It also draws attention to the importance of workforce planning and its connection to quality.

For the process of workforce planning that takes the nature of operational planning, which is short-term, medium-term, tactical and long-term strategic, the starting point is an analysis of the current status of quantitative and qualitative personnel (Stróżyński, 2008).

The above led to a holistic approach in the process of the quality of work management of a multidisciplinary team at the hospital where the patient is at the centre of attention. In addition, the research of the literature on the subject showed that the impact of the working environment of multidisciplinary teams on the efficient use of medical personnel was significantly underestimated (Aiken & et al., 2011). Improving the quality of work of multidisciplinary teams (the quality of diagnostic and therapeutic processes) is the key element in a comprehensive settlement of the prosumers' health problems and the quality of work of team members will play an important role in this process (Keogh, 2013).

The content of this article is to provide an analysis of theoretical contexts on the quality of work processes of diagnostic and therapeutic teams classifying, at the same time, a combination of organizational and individual factors, conditioning the improvement of the process, being an indicator of a range of opportunities and tools for public hospital management.

Multidisciplinary teams in public hospitals

The literature research on the subject showed a lack of clear terminology describing this kind of teamwork in public hospitals (the terms *multidisciplinary* and *interdisciplinary* are used interchangeably). In this article the author decided to use the term *multidisciplinary*. The basis for such reasoning is the research conducted by V.Wilsonand A.Pirrie (Wilson & Pirrie, 2000a), which showed that for a clear understanding of this kind of teamwork it is important to distinguish between prefixes – *inter* and - *multi*. The differences between them can resolve the problem of:

- quantitate,
- governmental,
- epistemological.

The first fundamental question is how many disciplines or professionals are in the team. The prefix – *inter* implies that only two disciplines (professions) are taken under consideration, where – *multi* (many) suggests that we are dealing with more than two disciplines (Wilson & Pirrie, 2000a).

The difference between these terms is something more than just the problem of the number of professions included in the team as it relates to setting boundaries and areas of interest in various medical disciplines. Different profession shave their own specific ways of understanding causes of the problems, mechanisms of their operation and manner of action when they occur, they use a specific terminology describing the problems (concepts) in an understandable and useful way to a given field.

Working in a multidisciplinary team requires the ability to cross the boundaries between disciplines, which, as studies show, is not easy, because it is often in such situations that people are guided by stereotypes relating to the individual (their) profession (Wilson & Pirrie, 2000a). The work of multidisciplinary teams can be described as a kind of meta-discipline, which consists of specific knowledge and ability to combine and search other are a sin order to find best solutions-epistemological problem (the patient's health problems).

Multidisciplinary teams are widely used in solving prosumers' health problems (Jefferies & Chan, 2004). The literature research also states that the determinant of professionals forming multidisciplinary teams are the common goals and values, to respect the competence of other team members, learning from other areas and to respect their different way of seeing and understanding problems (MHC, 2006).

For the purpose of this study it is assumed that multidisciplinary teams in public hospitals mean a group of professionals of various medical specialties who work together, share values and goals, lead multi-faceted evaluation of the prosumer's health problem (diagnostic and therapeutic process), seeking solutions scenarios as well as plan and implement them. They benefit from the knowledge and skills accumulated in various specialties.

Fulfilling the conditions listed below seem necessary to increase the quality of work in a multidisciplinary team operating in public hospitals:

- understanding by the public hospital management the concept, principles and the importance of the role played by multidisciplinary teams in solving patients health problems,
- the consent of the public hospital managers for this form of work that may entail the need for a change in existing organizational methods of work of the entity.

Compelling reasons that justify the need to create multidisciplinary teams around the health problems of a specific patient that a public hospital must cope with, are: (Olkiewicz & Bober, 2015)

- the complexity of the health problems of a patient faced by medical staff as well as areas of knowledge and skills that are needed to effectively deal with them, also show the following areas, among which we can look for reasons for the increased quality of work in managing the process of providing medical services in public hospitals,
- hospital specialization and the quality of the medical staff (from the amount of specialization to the quality of the hospital equipment).

The development of these competencies requires the design of training cycles specific to the management of multidisciplinary teams in hospitals.

Key abilities, knowledge and predispositions of multidisciplinary team members

Experience of working with multidisciplinary teams, as well as the literature (MHC, 2006) suggests that the smooth functioning requires from the team members skills, knowledge and predispositions that can significantly affect the quality of the performed work. The key competences are:

- *diagnosis*; one should realize the difficulties which arise when placing a joint diagnosis made by people representing different disciplines, which use a different nomenclature and having their own personal experience-established on the basis of a personal way of life and the specificity of the entity in which they work (as well as the nature of work inside the hospital) - that affect the understanding of the causes and mechanisms of problems. Making team diagnosis requires not only an understanding of different positions (sources and mechanisms) in analysed disease entities presented by representatives of different disciplines, but also respect for the approach represented by them. Recognition of this diversity, according to authors, seems to be the basis for a comprehensive diagnosis taking into account a number of important elements of a specific disease entity (also taking into account the suggestions of the patient). In addition, research conducted by Hudson (Hudson, 2001) revealed that professionals working in multidisciplinary teams value the diagnosis made in teams more than as a result of individual work.
- *solutions to problems*; in the literature on the team management this phase is shown as one of the keys to the effectiveness of their work. Significant problems in formulating solutions may concern the following situations that individual team members perceive differently what is supposed to be a solution, formulation of the problem contains a hidden proposal of the solution, but the problems are formulated in general terms, generating impractical solutions (Robson, 2005). In the context of multidisciplinary teams the reason for this state of affairs may be factors described above affecting the difficulties arising during the evaluation and diagnosis of the patient (different ways of understanding problems resulting from their knowledge, discipline, personal experience). Therefore, an important element to the work of multidisciplinary teams is to develop skills among the team

members related to formulation of unambiguous problems, creating their hierarchy, methods of searching for solutions and determining the plan and timetable for action and making decisions as a team,

- *cooperation*; the essence of multidisciplinary teams operating in hospitals is a dynamic form of work, determined by the prosumer's course of disease. Achieving it requires from the participants to be aware of their limits of action and the need for joint action with others to reduce these constraints,
- *team management*; requires a wide range of knowledge and skills, including, among others, formulation of goals of the teamwork, the stages of team development, roles in the team, where, as Wilson and Pirrie (Wilson & Pirrie, 2000b) mentioned, the specifics of work in multidisciplinary teams show that team members do not have to fulfil roles similar to each other (e.g.the role of an expert), they can have different roles (Belbin, 2003), depending on the stage of development, on which the team and the kind of work are at the time, creating operational procedures of the team and the evaluation of team's work. The basis appears to be the creation of conditions to learn about the specifics of the perception of problems and strategies for solving them by different disciplines.

Management and leadership of multidisciplinary teams in public hospitals requires specific knowledge and skills common to all members. Efficient management of such a team makes it necessary for the leader and team members to develop competence (Olkiewicz, 2015) that make it possible to run and develop team consisting of representatives of different disciplines (medical professions).

The quality of work of a multidisciplinary team in a public hospital

Among the factors affecting the quality of work we can distinguish: the work environment, internal job characteristics, job satisfaction and performance of work (Lowe, 2007). They are significantly connected with a direct relevance to the quality of work of the multidisciplinary team. Their compatibility results in fluency and positive perception of the whole process.

According to G.Lowe, environment and internal features of work are key factors shaping the quality of work. The author defines these areas as a driving force for the whole process. Focusing on these elements becomes a key task while searching for ways to increase satisfaction and to improve work performance. They essentially affect the process of the performed work (Lowe, 2007).

In addition to satisfaction, a very important element creating' personal, intrinsic motivation for efficiency' is the responsibility of the staff (Drucker, 2005). Public hospital can achieve the attitude of a responsible team member by assigning appropriate jobs, as well as an efficient system to provide information necessary for the employee's self-control. The last factor mentioned by Drucker is the opportunity to participate in an organization developing a sense of belonging (Drucker, 2005). The soundness of the work management process leads to innovation in the use of new techniques and technologies, strengthening the global decision-making process through the rank of quality of labour resources as well as the right proportions of HR processes with the requirement management and strengthening the interaction between the structure of the organization and management process (Sajkiewicz, 2004).

Management has the greatest impact on the quality of work, building an image of the quality management. The second factor is the quality of work of team members, defined as the quality to perform instructions. These two essential components, in consequence, are the basis of the provision of medical services of a consistent quality. Such actions, in the writers opinion, are in coalition with a very important sphere, namely the quality of life of the employees (Wawak, 2001).

Medical staff of a specific hospital with their knowledge, skills and competence have an impact on the efficiency and quality of work of a multidisciplinary team (Tomaszewska & et al., 2008). The way it functions, measured by results, is largely conditioned by the quality of work of management (Nowak, 2008) including in particular the ability to activate the potential of individual employees and, consequently, the global organizational impact (Walkowiak, 2008). Necessary conditions for the effective quality process are:

- innovationin the management process,
- decentralization of power and more flexible structures (multidisciplinary team),
- reorganization of the organizational and functional structure (of a public hospital),
- the use of internal and external processes of organizational cooperation,

- motivation for a change,
- focus on the quality of patient care,
- compliance of competence with the in-post requirements,
- appropriate division of labour, responsibilities and powers (Sajkiewicz, 2004).

In case of considerations regarding the quality of work of a multidisciplinary team, it is worth to analyse important factors included in the process. Table 2.1 contains a typology of important factors determining the functioning of multidisciplinary teams operating in public hospitals.

Table 2.1

Factors affecting the quality of work of multidisciplinary teams

External awards: – remuneration, – benefits, – guarantee (stability) of employment.	**Internal awards:** – interesting work, – sense of accomplishment, – creativity and taking initiatives.
Relations in working environment: – respect, – communication, – trust and commitment, – justice.	**Working hours and schedule:** – working hours including overtime, – flexibility, – balance between work-life.
Organizational structure: – level of the employees influence, – participation in the decision-making process, – exchange of information.	**Using of skills and development:** – training and learning opportunities,, – promotion opportunities, – use of technology.
Model of work: – autonomy and control, – feedback (reviews), – resources.	**Health and safety:** – physical working environment, – physical demands of work, – psychological demand of work.

Source: Based on: McMullen K. Schellenberg, G. (2003), Job Quality in Non-Profit Organizations. CPRN Research Series on Human Resources In the Non-profit Sector, No. 2, p. 9.

Remuneration and other benefits are important factors shaping the quality of work. A key component of the quality of work is also the process of work scheduling. Too big or too small workload has a negative effect on the proper and effective professional functioning.

Opportunity for professional development, access to resources, mutual support and good relationships determine the innovation in the workplace, with particular impact on its quality. Employees experiencing autonomy in the decision-making process and having the opportunity for professional development carry out their duties more effectively both individually and as a team (Lowe, 2007).

Quality of work life (*QWL*) is inseparably connected to the process of the quality of work. Factors determining *QWL* are: meeting the needs permanently connected with occupational requirements related to the working environment, professional commitment and the behaviour of superiors. Societal expectations focus primarily on the desires and aspirations of employees in relation to working conditions, remuneration and challenges they face associated with a particular function or professional role (Sutherland & Canwell, 2007).

The quality of work of multidisciplinary teams also involves a comprehensive approach to quality at every stage of the service provision and also takes medical resources under consideration as well as personnel, infrastructure and financial statements, which are organized in the most efficient manner. The improvements of quality are not only significant for clinical processes but also management processes. It is a condition determining the final result, which is the consistent quality of medical services and clinical processes connected with it.

Demographic resources as a determinant of the quality of work of a multidisciplinary team

The effectiveness of the work quality management of a multidisciplinary team (the diagnostic and therapeutic process) depends not only onthe quantitative status of a medical personnel, but also on the qualitative characteristics of its composition or structure of employment according to specific criteria, generally interdependent. Proper selection allows to reduce the risk of inadequate employment of a person and choose the best possible candidate for the job. Demographic projections indicate a falling and aging population. The later trend determines the increase in demand for medical services in the context of a limited material and financial resources, which may reduce the quality of work of the members of a multidisciplinary team (quality of service) resulting from the rising life expectancy. This can increase costs due to the increased expenditures for the treatment of later stages of a disease.

Considering the falling birth rates, public hospitals may encounter barriers in employment, particularly in respect of specialist medical staff (Głowacka & Mojs, 2007). The aspect to attract and retain the most valuable human capital is particularly important in the context of a dynamic sector of private medical services. In addition, the outflow of medical personnel to the EU member countries has been noticed in Poland since the accession. This applies to all specialist from different medical fields (but not only).Young doctors decide to move abroad after obtaining the right to exercise the profession and completing specialization (relevant data contained in table 2.2).

Table 2.2

The number of certificates issued to doctors on the need for employment in the EU - 31.12.2013 status

Certificate	**No of professionally active doctors**	**No of issued certificates**	**% of issued certificates to the no of doctors**
Stating formal qualifications		6 499	5,62
Confirming professional activity		391	0,34
TOTAL	**115 579**	**6 890**	**5,96**
Certificate	**No of professionally active dental practitioners**	**No of issued certificates**	**% of issued certificates to the no of dental practitioners**
Stating formal qualifications		817	2,68
Confirming professional activity		1 185	3,89
TOTAL	**30 501**	**2 002**	**6,56**

Source: Based on data: NIL (The Supreme Chamber of Physicians and Dentists) and MZ (Ministry of Health).

It is anticipated that the tendency mentioned before will show an upward trend annually. Secondly, the fact of emigration, especially of younger doctors, makes the employment structure, analysed in terms of age, change unfavourably. Lack of a supply of younger doctors will cause ‘aging’ of the organization. The shortage of qualified medical staff can deteriorate the quality of the human capital at the disposal of public hospitals. The labour market of medical staff, within the framework of which professional qualifications are recognized, becomes not only a local market but also international. In summary, the strategic problem of personnel management, which is the out flow of medical personnel, is not only a current problem of public hospitals, but becomes a serious threat to the functioning of the healthcare in the future.

In the era of knowledge economy, the approach to the management of a medical staff in the structures of functioning multidisciplinary teams, plays an important role. In the context of entity's whole economic activity, human capital (multidisciplinary teams) can be presented as a combination of the following factors:

- *features contributed by the employee:* intelligence, commitment, energy, talent, integrity, honesty, trustworthiness,
- *employee's ability to learn:* learning capacity, imagination, ability of analytical thinking, creativity, innovation,
- *employee's motivation to share information and knowledge:* the ability to work in a team, striving to achieve the objectives (Sokołowska, 2005).

The purpose of the selection is to match candidates (their potential) to the requirements of the workplace and the organizational culture (Strużycki, 2004) of the hospital/team.

Moreover, in a situation where roles and tasks of a multidisciplinary team (dynamic course of the disease) undergo significant changes, one must remember to engage the entire medical staff in this process as it is important because of the quality of work and the reduction of the decision-making risk in the process of providing medical services.

The process of education of a medical personnel may not be related to the educational and health needs of the professionals and patients, whom it should serve. It does not change the fact that a comprehensive, efficient information systems and improving data collection processes are essential (Ciprano & Hamer, 2013). In addition, a medical staff, as a member of the multidisciplinary team, should have the ability to apply knowledge, critical thinking, respect of professional ethics, to be responsible for the patient, and to respond effectively to the pro-quality requirements of the prosumer.

The principles of multidisciplinary teams in public hospitals

In this study, it was assumed that the quality of work (diagnostic and therapeutic process) of a multidisciplinary team providing medical services of consistent quality is an important part of a comprehensive management of a public hospital. Moreover, given the scope and the complexity of information, the provision of qualitative medical services (for a single doctor) without any support, can be extremely difficult and even potentially harmful. A group of doctors shaping qualitative diagnostic and therapeutic process for the patient makes a team. It can be assumed that it is a working party having at least one common goal (the increase of stakeholders satisfaction in a public hospital). Every doctor uses the information provided and actions taken by other team members. But as stated by Mr.Mitchell, without a clear acceptance for the need of existence and deliberate team development, the elimination of a number of systemic problems (Mitchell & et al.,2012) will not be possible. The implementation of the principles of *Empowerment* enables members of a multidisciplinary team to demonstrate their initiative and creativity. In addition, job evaluation could potentially be one of the important tools to the quality process management through:

- creating greater transparency of differentiating payments and jobs criteria (by making them known, we reduce the randomness and immediacy of salary decision),
- the creation of good relations between people, good working environment increases the quality of provided work,
- motivation function, by creating understandable criteria for work evaluation, we create a motivation system to gain qualifications and to take specific actions within the framework of a multidisciplinary team determining the quality of performed work.

To summarize, the clarity of job evaluation criteria eliminates conflict situations (the source of which is the wage and promotion policy). The stability of accepted principles determines motivational functions through:

- clarity, intelligibility and simplicity of conditioning the acceptance by the team members,
- flexibility to adapt to the processes of organizational and technological changes,
- openness to the external environment,
- complexity, being the basis for the processes not only for the wage decision-making but also personal and organizational,
- job evaluation should be consistent with the techniques of the

performance evaluation (multidisciplinary team),
- the maximum possible uniformity of techniques for different employment groups (Borkowska, 2004).

It can be therefore concluded that the importance of the criteria for job evaluation and the need for update as conditions change in the functioning of multidisciplinary teams in hospitals that determine the quality of performed work.

The level of strategic management of the quality of performed work by a multidisciplinary team in public hospital (use team-knowledge) is to anticipate the future state of health satisfaction of the patient through a diagnostic and therapeutic process according to current medical knowledge.

Existing knowledge will achieve objectives only if it is fully integrated in a manner worthy of a human value system (Harasim, 2008). In addition, the creation of an adequate level of competence within the members of a multidisciplinary team is necessary for effective provision of satisfaction to stakeholders in public hospitals.

Conclusions

In conclusion it is worth noting that currently the comprehensive patient care in public hospitals is carried out largely by multidisciplinary teams. It can be assumed that they will grow in numbers and further develop (specialization in a particular area). The quality of performed work (diagnostic and therapeutic process) will be the determinant of stakeholders' satisfaction in public hospitals. It is worth considering how to provide them with support and build effective channels of communication and cooperation with the rest of the personnel of healthcare entities.

Outlined problems of the quality of performed work (diagnostic and therapeutic process) of multidisciplinary teams operating in public hospitals make it necessary to implement comprehensive programs (Olkiewicz, 2013) in order to identify deficiencies and limitations associated with the medical staff. Labour migration and a limited supply of younger personnel of medical professions is the reason that a growing number of public hospitals suffer from deficiencies in employment (Statistical Yearbook) (there is an increasing risk of management in the decision-making process of medical services).

In order to adjust the supply of the medical personnel to the demand for medical services in public hospitals, adaptation planning is necessary:

- shaping the supply of trained staff,
- revision of personnel standards in line with the UE guidelines,
- redistribution and reasonable distribution of the existing personnel.

The resources of medical personnel as a determinant of the quality of work of multidisciplinary teams in public hospitals should therefore be analysed not only from the point of view of their numbers but also in terms of quality. Changes that accompanied the reforming of the healthcare system, had a negative effect on the quality of work performed by team members, which was followed by:

- significant reduction in employment (increase in responsibilities),
- a decline in employment rates in all groups of medical professions (not respecting standards and EU guidelines),
- the growing level of dissatisfaction,
- low job satisfaction,
- decrease in sense of job security.

What is especially worrying are the low salary levels in public hospitals. The level and amount of remuneration is one of the key problems of the functioning of public entities in Poland.

Summary

To the increase in quality of work of multidisciplinary teams (diagnostic and therapeutic processes) in public hospitals leads a series of interrelated and complementary factors. The change in the way of thinking, innovation and creativity in seeking solutions are the foundation of success. They can be drawn from the theory and the latest research results in the fields of economics and management. A key role in achieving success in management of the quality of work of multidisciplinary teams is a comprehensive analysis of the medical staff, key resources at the disposal of public hospitals as well as promotion and development of the vocational training system. The literature on the subject presents the late stand relevant to current conditions publications. The knowledge of economic and political situation, in which the hospital functions, is also important, as well as adaptation to the emerging changes in the environment, leading to increase of the quality of work.

It is worth to remember that there is no single (correct) solution, which guarantees the success of a multidisciplinary team functioning in public hospitals. There are, however, available in the literature, as well as from the research findings that can be used as tools to achieve increased quality of performed work. All suggestions should be seen in the light of a particular situation of a given public hospital (network of public hospitals) and place them in the environment in which it is located.

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STATEMENT OF CORPORATE SOCIAL RESPONSIBILITY FOR HUMAN RESOURCE MANAGEMENT

Formulation of the problem. In modern conditions necessary transformation of society is social development staff. To develop a sustainable development policy entity should be regarded as the economic and environmental dimension of the enterprise, but also the social component. Under the influence of institutional changes made by the new emphasis on the further development vector of accounting theory, and including statements that is based on international models of social reporting, which would provide information on the needs of all users concerned about the results of the social enterprise.

The aim of this study is to develop internal and external reporting of social activity in workforce management company.

In a fundamental sense of human capital development, labor relations, human resources, human resources are part of a broader concept - corporate social responsibility (CSR).

Having chosen social issue that meets the company's mission and charitable organization, corporation, is developing a marketing plan for implementation of selected initiatives, which include marketing objectives, quantitative indicators, together with charitable organizations Corporation defines the target audience and developing a marketing strategy for products of which the company way sales promotion, channels promotion and strategies to promote more. Consist special communication plans for monitoring and reporting results matching initiative with the objectives and tasks. It creates a special system of accounting and reporting, encourage responsibility and accountability, reporting, and disclosure of the use of resources focused on donations, since the force on volunteer work, etc. [3].

As part of corporate social responsibility has Global Reporting Initiative, which focuses on socially significant accounting, auditing and reporting.

Take responsibility for their impact on society means, first of all, that the company must keep a record of action in this area, to report to the public for their actions. Thus, the concept that describes the relationship of social and environmental impacts of economic activities to specific interest groups and society as a whole is an important element of corporate social responsibility. It was developed a number of accounting standards, in which the basic principles of social accounting, reporting and auditing.

Global Reporting Initiative (GRI) is a nonprofit organization that promotes economic stability in the world. GRI has developed one of the most common international standards in order to ensure sustainability reporting - known as environmental reporting is, environmental reporting social governance (ESG), the result triune statements (TBL) and corporate social responsibility reporting (CSR). GRI is committed to ensuring regular reporting approach to all subjects of a certain procedure and how to guarantee the comparability of financial statements.

Sustainability Report is an organizational report, which contains information about the economic, environmental, social and management of an enterprise (company).

Guidelines for the preparation of their reports on sustainable development for corporate businesses, government agencies, small businesses, non-governmental organizations, industry groups and others. For municipal governments, they tend to include similar guidelines from the UN: ICLEI.

According to statistics, more than 4000 organizations from 60 countries used in the current market conditions significantly limited information, such as the availability of kindergartens, schools, hospitals, libraries, sports grounds consisting of annual accounts, which still can be seen in reports of enterprises Ukraine Now this information is not made public, such as state-owned enterprise "Antonov" that operates in the domestic aircraft industry reveals information on available social services in the explanatory note to the report on the execution of the financial plan, namely "Antonov" own funds maintains and develops social services enterprise and a recreation complex "Antey", "Falcon" recreation "Azov", "Sun", "Jubilee", "Sail" medical unit on the premises, a hostel for young employees, tables, cupboards, libraries, kindergartens, sports.

Each employee "Antonov" feeling the support of the company through regular payment of wages and social services, are constantly evolving and provide confidence in the future

This is confirmed as follows: a large part of young employees living in dormitories and hotel complex; their children are attending kindergartens enterprise; annually about one thousand children rest in children's camps; provided the conditions for the exercise of employees and their families by maintaining a sports complex; There Scientific Library and Museum of the History of the enterprise [7, p. 56].

Revenues from social facilities "Antonov", namely the social sector (health, recreation, sports, utilities), a division catering, hotel and ancillary facilities (housing for workers) included in other operating income. Pricing for data objects is at zero or minimal rate of return, given the social aspect of their operation [7, p. 57].

It should agree with the opinion of Zhyhley that "lack of information and analytical support for the assessment of social policy entity formation and credible macroeconomic indicators is the necessity to create relevant scorecard reporting entities responsible activity" [5, p. 54-55].

Best practices of successful corporations shows that the corporation formed by special service (for example, social center responsible), which manages the efforts of corporations in the chosen direction in relation to human resource management. that organizes, plans, coordinates, controls, etc effort corporation. In terms of activities and budget cost of service provided for action to achieve the social objectives of the corporation and allocated funds needed to carry out social activities funds allocated involved in consulting and polling companies to collect information through surveys (polls, opinion polls, special ***Ad hoc*** surveys etc.), the implementation of examinations, assessments, interviews, diagnostic surveys in the internet-space etc; costs of promotion initiatives and more. Schedule preparation and submission of statements governing external training as a report on the results of the social enterprise, and internal reports on implementation of the budget of social benefits, special offers social orientation.

In accordance with paragraphs. 4.1.1. p. 4.1 of the decision of the National Commission on Securities and Stock Market № 955 "On Approval of Corporate Governance Principles" from 22.07.2014 y. except for commercial purposes Society is appropriate to disclose its personnel policy, a policy in the social sphere, environmental protection, etc. [8].

The study suggested a form of social report - Report on the results of the social activity. It is here laid the foundation stone for the formation of a new concept of social reporting related to international social reporting models in the world and the requirements of corporate governance principles for human resources management. The proposed report form will allow analysis of information disclosed in a report within one entity, and in comparison with other companies. When disclosing information in a format such opportunity to all interested users provided.

It is proposed to implement a form of social report - Report on the results of social activity. Table 2.3, which has practical value and social importance for sustainable development of local entities HR. Report on the results of social activity. consists of five sections: 1) approaches to labor; 2) charitable activities; 3) human rights; 4) interaction with society; 5) liability for products.

Maintenance of now only subject to the availability and efficient use of human, material and financial resources, ie data on the number and composition of employees, inventories, intangible assets and fixed assets, costs and revenues, financial results, cash flows, which are the

Table 2.3

Format of social reporting "Report on the results of the social activity"

Name sections and indicators
Unit 1. ***Approaches to labor***
1.1. Internal social policy
1.2. Composition of working
1.3. Employees who left
1.4. The payments and benefits to employees
1.5. Coverage of employees by collective agreement
1.6. The minimum period of notice employees
1.7. Injuries in manufacturing
1.8. Loss of working time
1.9. Occupational Health
1.10. Health workers
1.11. Training of workers
1.12. Costs for employee training
1.13. Evaluating the effectiveness of staff
1.15. Value salaries for women and men
1.16. The share of workers who were working for more than 12 months after returning from a long vacation
1.17. Minimum salaries
Unit 2. ***Charitable activities***
2.1. Emergency assistance to the population
2.2. Help orphanages
2.3. Working with children
2.4. Working with youth
2.5. Professional growth and development of young professionals
2.6. Health & population
2.7. Dwelling houses
2.8. Construction of sports and cultural centers
2.9. Culture and art
2.10. Another charity
Unit 3. ***Human rights***
3.1. Information on the total number of cases of discriminatory actions identified in the company
3.2. Downsizing and employment of workers
3.3. Share competent security department employees
3.4. Labour disputes

table 2.3 (continued)

Unit 4. *Interaction with society*
4.1. Anti-corruption education - the proportion of workers
Unit 5. *Liability for products*
5.1. Quality of products, goods and services
5.2. Improving the quality of products, goods and services
5.3. Information on products and labeling

Sourse: based on research developed by M. Krasnova [4]

main elements integrated management system.

This reporting information as an available resource potential and performance of labor, the costs of labor conditions etc. are equally important because the potential for profitable operation inherent in the available resources can be negated by the lack of proper control managers in the organization of work and human capital management.

Organization of assembling and providing internal reporting is made in the relevant administrative and technical activities of the company; for example, the Regulation on internal business reporting, workflow reporting schedule, introduction of duties and job descriptions of employees work on the preparation and use of reporting, accounting policies and so on

Users of internal reporting are internal service management company – administration, an apparatus, managers, heads of departments and functional. These internal reports used for decision making, control the execution of others. On the basis of internal reporting deviations recognized than planned and carried out monitoring of deviations. Forms of internal reporting procedure for drafting, deadlines, responsibility for failure and making them unreliable data company determines their own. On the construction of internal (management) reporting affect: the structure of management, the specifics of its activities, products (works, services) markets and more. The internal reporting is often a trade secret of the company.

Effective human resource management, including submission external reporting such activity involves the accumulation of information and preparation of internal reports. The internal (management) reporting a generalized set of interrelated information on conditions and results of the company and all its divisions, business segments; It includes financial and non-financial indicators that allow management in general and its units. The purpose of drafting internal (management) reporting information is the enforcement of the enterprise management functions of planning, analysis, decision making and control over its activities. Internal reporting (management reporting, etc.) developed by the entity, it is used within the enterprise managers of different levels. Internal reporting is not regulated by regulations policymakers. The basis of such reports make management reports on individual units to perform certain tasks, reports on the use of resources to ensure working conditions and so on. Table 2.4 shows the main recommendations of internal reporting on the implementation CSR.

Table 2.4

Characteristics of internal reporting about organized events with CSR project

Element of Report	Content
To report submitted	Authority corporation responsible for implementing corporate social responsibility policy
Information sources filling the report	Data on the performance / failure of the planned measures on the expenditure of resources related to the implementation of activities and social investment
Type of document	Reporting, specifying
Frequency assembly	Once a quarter of the year or the implementation of specific social investments
Reporting period	Calendar quarter, cumulative from the beginning of the year
The presence filling in	The procedure for filling and form / report form approved by the authority of the implementation of CSR
Presence application report	Native applications for the implementation of the nature of planned activities and costs associated with their implementation are added
Administration report	Marked unit belonging Corporation that reports to individual activities, industries, services, performance agreements, etc.

The information base used for the management of the monitoring and publication of the results of social activities to ensure fulfillment of obligations to consumers (recipients, recipients) to the public and to employees of corporation performance evaluation services in terms of the needs of the company, involvement and motivation of employees based on achievements goals of the initiative, the efficiency of the system CSR (achieving a certain level CSR) increase / decrease sales, increase or decrease the operating and corporate costs, solving marketing problems help to achieve business objectives equivalents names of corporate social reporting is a social accounting, social reporting, non-financial reporting etc. [2].

Preparation and meaningful content reporting (as well external and internal) evaluation meets the requirements of corporate social initiatives are calculating the profitability of these initiatives is on the forefront of solving economic problems. [3] Social reporting reflects the results of the reporting period compared to the base period; arbitrary or reporting forms in accordance with the approved regulations, are voluntary. [9] External social reporting is seen as intended for external users are socially recognized requirements for Her preparation, it refers to specialized reporting, reveals the activity level of the enterprise (corporate) filed periodically. External social reporting can be seen as part of the financial statements of the corporation. Internal social reporting is classified as management reporting reflects the conditions and results of operations in a particular direction, including financial and non-financial performance, specialized, periodic, primary standards such reporting available. According to the value of the corporation such activities and reporting on it relating to infrastructure, peripherals that do not reveal the economic activity of the corporation, but reveal the content and effectiveness of social activities including corporate human resources management. The general purpose of reporting, lang external, and internal - control social activities of the corporation, it is a part of corporate social responsibility.

Based on the information social reporting adopted management decisions: expanding the target audience of potential customers, changes in marketing strategy, the use of new techniques simulating sales (holding shares on discounts, provide bonuses, changes in commodity lines, increase budget spending on social programs, etc.), modernization strategies promote products effective promotions, and improved gathering of information requests depth study of new market segments, change charity events and more. Adjusted reporting helps to make decisions on major issues - continue to work in this market segment or deliberately reduce the cost of charity, to move to work in other segments; more active in the branches, separate subdivisions, subsidiaries and others.

Outstanding issues. Issues mentioned in the article are not exhaustive and need additions, changes, corrections and specificity. It is necessary to identify the requirements of all stakeholders; Criteria should be allocated to social and economic development of the company and human resources to develop a method of forming indicators; set status reporting; determine the level of CSR harmonize requirements for social responsibility in the application of modern management applications, such as SAP R / 3 (SAP ERP), more advanced software management.

Conclusions. Human resource management in the market environment require corresponding changes in accounting and reporting toolkit Reporting on social responsibility - is a public institution public awareness about bhalo current activity and effectiveness of functioning of the market on the basis of recognized criteria. Successful implementation of corporate social responsibility involves the implementation of measures for control. Specially formed Service Corporation collects information on social activities and personnel management, based on reports contain internal corporate departments on the implementation of planned activities and use of financial resources for the management of lyudskovymy resources. Preparation of internal reports is subject to requirements to provide information about Service Corporation of planned social activities. Developed mechanism for data collection, consisting plans and timetables for the preparation and submission of reports. It uses the data Accounting (increase (decrease) in sales revenue, the formation of reserves, provisions, payment of materials, goods, payment of workers, payment of services of external companies, etc.), and data from the surveys, questionnaires. Since reporting external reporting on social development is only a few signs of financial statements is appropriate to such records classified as non-financial, special reporting corporation. increased social status.

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DEVELOPMENT OF EMPLOYMENT MEDIATION SERVICES AND LABOUR MARKET IN THE TOURISM INDUSTRY IN UKRAINE

Tourist industry is increasingly important for socio-economic growth, it has a significant positive impact on the situation in many sectors (transport, trade, employment, communications, construction, agriculture, etc.). Tourism contributes to employment and affects the labour market structure. In recent years of crisis in Ukrainian economy the labour market is facing significant challenges, there is the problem of employment, especially for young professionals, University graduates, who need qualified support and assistance.

The basis for the theoretical foundation of tourism industry development are the works of M. Birzhakov, L. Kartashova, A. Imaeva, V. Podgaina, M. Malska, the role of tourism and the dynamics of tourism market in the modern conditions Massidda and Mattana, Emsden, Kumar and Mishra. Scientific study of the labour market development in the sphere of tourism was performed by such researchers as V. Kvartalnov, V. Beletsky, L. Sakun. However, possibilities for the employment mediation services development in tourism industry require additional understanding and research. That is why the purpose of this paper consists in theoretical substantiation and new approaches elaboration to the development and promotion of employment mediation services development in tourism industry.

One of the main subjects of employment mediation services in the labour market is recruitment agency. The recruitment agency is in fact the mediator between employer and jobseekers, some kind of buffer who is the guarantor the company will receive such expert who is necessary for, and the expert - worthy working conditions and the salary company promised.

As O. Allyn notes, recruitment agencies promote the civilized labour market creation, and it concerns not only job-seekers, but an employer also. The recruitment agencies specialists study the labor market dynamics, its tendencies, changes in salaries level and requirements to employees, advise the companies on personnel questions, organize and hold seminars, trainings. Besides, recruitment agencies advise concerning career planning and give help to highly qualified specialists in receiving decent job [3].

The recruitment agency activity, which specializes on personnel search for the tourism industry, consists of three main components: search, evaluation and staff recruitment on certain vacancies. The special attention is paid to compliance of professional and personal competences of candidate to the employer requirements [9]. Also it should take into account such candidate’s psychological characteristics as motivation, flexibility and capacity for teamwork. The verification of candidate recommendations is also important. Some recruitment agencies are expanded a range of services, offering leasing and outstaffing of personnel, an outplacement, personnel consulting, training of employees.

Regular interaction with a huge number of travel agencies and candidates let the recruitment agency constantly to be in the center of a labor market actual information flow. The possibility of actual information obtaining is very important in unstable business environment for recruitment agency. It allows to quickly and fully analyze the current tendencies and to make the right decisions. Information on current state and tendencies of salary level changes of experts in various branches of business is one of the major business-planning tools. The success of recruitment agencies which specialize in finding personnel for the tourism industry is determined by the availability of qualified personnel on labour market, sustainable relations with employers, database of candidates, using advanced technology.

It should be noticed that Ukrainian recruitment agencies are rather recently appeared and, generally, adopted the western recruitment firms' experience. The first recruitment agency in Ukraine appeared in late 80-es of the last century. In 1995, according to Vladimir Muzychenko, was proposed the idea of a professional organization recruiters creation. One year later the first conference of heads of 50 leading recruitment agencies of Ukraine was held and the Association of Executive Search and Leadership Consultants (AESC) was approved, as well as professional ethical code of the recruiter was accepted. The purpose of creating this organization consists in a civilized market of personnel recruitment development in Ukraine and formation of Executive search consultants professional and ethical standards [13].

In November 1999, ten leading national recruitment agencies announced the creation of a unified network of specialized recruitment agencies, which included leading agencies in Kyiv, Kharkiv, Donetsk, Dnipropetrovsk and Lviv, who, according to some estimates, are about 25% of the total recruitment market.

According to AESC, the turnover of the Ukrainian recruitment market in 2014 amounted to $460-470 million. Crisis has significantly affected the structure of demand in the domestic market of employment mediation services, however, has not had a significant impact on the list of professional players and even resulted to its expansion [12].

A quarterly global survey on trends in recruitment of middle and senior managerial levels showed that the number of tourist companies searching for new employees increased from 42% in the first quarter to

58% in the second quarter of 2014. The study involved more than 4,200 companies from 32 countries, including nearly 400 companies from Ukraine (both local and foreign) [14].

At 04.01.2016 was opened 53 vacancies in the tourism industry in Kharkiv. For 45.3% of open vacancies employers indicated wage of 2 400 - 4 800 UAH. 28.3% of them indicated salary 4 800 - 7 200 UAH, and 13.2% - with the salary of UAH 9 600 (fig. 2.7) [13].

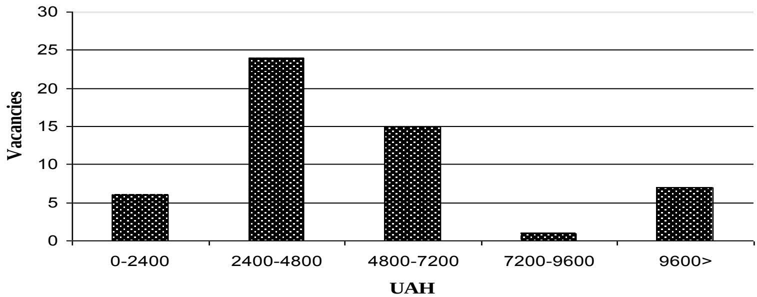

Figure 2.7. The number of vacancies in the tourism industry in Kharkiv

The demand for qualified managers provokes unequal wage growth. Moreover, wage growth in real terms is often not associated with growth of qualification of specialists. It turns out that manager receives an enormous wage, not because he's a high level professional but because the company is very important to fill the vacancy.

Another trend of recruiting stems from the fact that the market entry price was recently increased. Earlier to find a couple of employees, to rent a small office and place an ad in the newspaper «Work for you» was enough for open a recruiting business. Now the competition among recruiters has moved to a completely different, higher level. Now they need a good executive office, software and high level qualification staff, paid recruitment Internet resources. For example, access to the database and posting jobs on such resources worth up to UAH 200 thousand per year. Working with this resource has become the industry standard. Also, recruiter who wants to succeed must participate in exhibitions, conferences, training and awareness seminars. That’s why a lot of small recruitment agencies were closed last years because of lack of financial resources for work and business development.

According to AESC recruitment services in Ukraine is increasing annually by 20-30%. In Kharkiv the market growth rate is much higher. Thus, the dynamics of annual turnover growth is increasing every year. In 2014 the annual turnover reached 3 904 000 UAH, in 2015 this amount rose to UAH 4 812 000 [12] as it shown at figure 2.8.

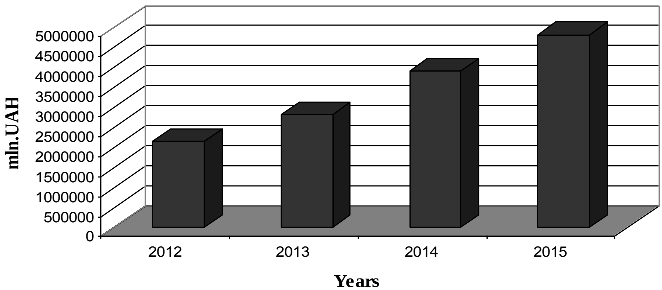

Figure 2.8. Dynamics of annual turnover growth for 2012 – 2015

One of the most dynamic employment mediation services company in Kharkiv is LLC «Unitemp». It's a recruiting company that helps Ukrainian professionals, students and motivated people to find a job abroad. «Unitemp» was founded in 2010 and now has become one of the leading recruiting companies in Ukraine. Today, it already employs more than 3,000 professionals in tourism industry in Ukraine, Arab Emirates, Turkey, Latvia and other countries [15].

LLC «Unitemp» occupies a leading position on the employment mediation services market. Company provides services such as Internet recruitment, labour market monitoring, mass staff selection, Management Selection, Executive Search, Head-Hunting. In the last 2 years LLC «Unitemp» in addition to its core business has additional income from job fairs organizing and their own job site for graduates and young professionals promotion [15].

Currently for LLC «Unitemp» there is a favorable situation for development, i.e. the tourism industry develops, there is a labour shortage, the increasing willingness of customers to use the services of recruitment agencies is growing. To the end of 2016 the most pressing tasks for LLC «Unitemp» is to stimulate sales and increase the quality of services provided. This can be achieved by improving the system of interaction with the customer, improve the professional level of the personnel, minimizing substitutions selected specialists. The fulfillment of these tasks is a prerequisite to retain the leading position and company development. Firstly, it is need to improve the system of interaction between tourist companies-customers and «Unitemp». For clarity we represent the scheme of the work done, problems identified and proposed changes (fig. 2.9).

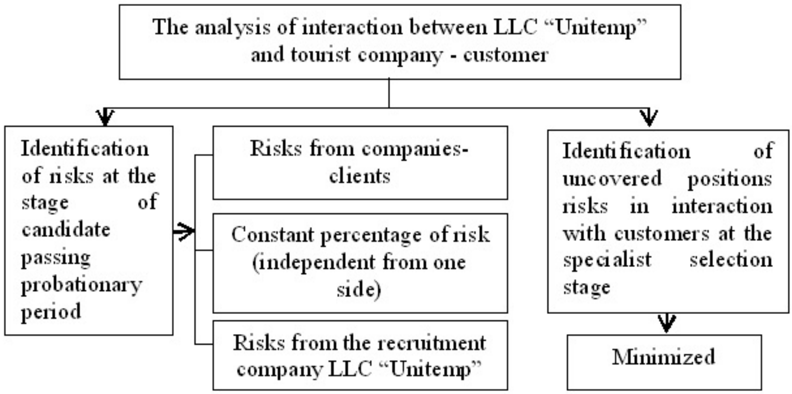

Figure 2.9. The reasons of replacements, results of the analysis of the reasons of replacements of the picked-up experts

In order to improve the quality of recruitment agencies, in cooperation with the customer from the tourism sector, need to take the following actions:

the complex of measures to minimize the risk of substitutions selected specialists the fault of the recruitment agency;

the complex of measures to minimize the risk of substitutions selected specialists the fault of the tourism companies-customers.

Submit the table 2.5 in which shown the reasons of replacements, results of the analysis of reasons of the picked-up experts replacements and recommendations about minimization of risks of a candidates' probationary period not passing according to LLC «Unitemp».

But the responsibility for the assessment of professional experience (knowledge, abilities, skills, competencies), motivation and expectations of the candidate as well as the responsibilities of the recruiter includes mapping and optimization the client company and the candidate interests. It is necessary that the capacity of income, compensation, career prospects, consistent in the employee needs of security, belonging to social groups, recognition, realization, promotion.

Table 2.5

Minimization of risks of a candidates' probationary period not passing

The reasons for replacements	The results of replacements causes analysis	Risk minimization directions
1	2	3
Disciplinary violations, violation of internal labour regulations	The company has not requested any checks / Not checked carefully enough recommendations	To implement the reference checks technology; to improve the audit recommendations technology (recruiter training)
The applicant has found a new, more attractive place of work	The recruitment consultant failed to present profitable position	To improve the recruiter's presentation skills (recruiter training)
Professional qualities of candidate doesn't meet the company expectations	The recruitment consultant failed to assess the candidate's professional level	To improve recruiter's skills of evaluation (recruiter training)
The candidate was not able to find a «common language» with manager or team	The recruitment consultant did not take into account the interactions of units	Introduce mandatory communications stage between recruiter and supervisor of the required specialist; at the stage of understanding customer needs to define corporate culture, peculiarities of relations at company
The responsibility of the candidate included more functionality than he expected	Not providing information by the customer / Consultant has not included information in the position presentation	Introduce mandatory procedures: the customer should highlight core competencies and to specify them in the application; to implement a quality control of a completed application; to implement an assessment agreement technology of a candidate by the client;

table 2.5 (continued)

1	2	3
		customer certifies by signature that the selected candidate meets all the basic competencies
The applicant initially was no job understanding	The recruitment consultant is not optimized to the candidate expectations	Introduce mandatory approval procedure of the position presentation with client. The recruiter is responsible for accuracy of information transfer to the candidate. To improve the recruiter skills as ability to predict, evaluate candidates (recruiter training)

Consider the reasons of a candidates' probationary period not passing from client-company (table 2.6).

Table 2.6

The reasons a candidates' probationary period not passing from client-company

The reasons for replacements	Decision
1. Change of conditions from employers	LLC “Unitemp” doesn't grant guarantees on the expert replacement in cases of: creations of intolerable conditions by the employer (personal humiliations and insults, threats, sexual harassments in relation to the candidate); non-compliance with the standards of a workplace organization or lack of a workplace; absence of accurate duty regulations when the reason for leaving of the employee consists in introduction to its work additional functions which aren't stipulated earlier and aren't stated in the demand; company reserves the right of involvement in the independent commission in disputable cases of replacements.
2. Non-compliance with obligations by the company	
3. Creation of intolerable conditions by the employer (personal humiliations, insults, threats)	
4. Weak level of management (lack of accurate functions, duty regulations, feedback from the direct head)	
5. Double subordination	
6. Non-compliance with standards of a workplace	

Based on data given in the tables 2.5 and 2.6 it is possible to design a more advanced system of interaction between LLC “Unitemp” and tourism companies. For this the following activities were carried out:

the questionnaire of analytics of replacements is developed;

the questionnaire for staff recruitment consultants is offered;

information on the replacements reasons is processed;

the program of risks minimization (change in system of interaction) is developed;

system of employees motivation is developed;

training for staff recruitment consultants will be provided. This training is directed on introduction the technology of recruiters work changes and also on development of the following competences for high-quality observance the technology of work:

improvement the competitors assessment skills;

improvement of sales/presentation skills;

improvement of recommendations verification skills;

improvement of clients and candidate expectations optimization skills;

Training will be directed on ability to train the main recruiter skills.

Also the analysis of LLC "Unitemp" motivation system was executed and the following changes are offered:

non-material motivation - It is necessary enter a nomination «the best recruiter of year». According to the results of the personal contribution of each recruiter in the company's income and the number of replacements of experts (number of substitutions should not exceed one), will be summarized results for the half year. The best consultant will be awarded by diploma;

material motivation – at successful passing by the candidate of a probationary period to the staff recruitment consultant the award is 4% of the fee sum, to the senior consultant of 4,5%, and to the leader of 5% of the fee sum is appointed (table 2.7).

Thus, the main directions of employment mediation services development in Ukraine recommended including the following:

to increase the recruitment agencies professionalism;

to expand the arsenal of tools for finding candidates;

strategic development of the major agencies;

the development of specialization of small agencies;

the development of a network of recruitment agencies and business associations interregional type;

the entrance strongest Ukrainian agencies into the international recruitment networks and associations;

Table 2.7

Distribution of percent of awards to employees

Name of position	The recruitment consultant,%	Senior consultant for staff recruitment, %	Leading consultant for staff recruitment, %
The amount of award to the candidate for successful completion of the probationary period	4	4,5	5

transnational integration.

If we talk about the trend of the employment mediation services today, we can say that the modern labour market is essentially a market frame. It's not an employer's market, this is the job-seekers' market. That's why the employment mediation services company at labour market in the tourism industry in Ukraine have to create new approaches and method for interaction with tourist companies and job-seekers.

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THE ROLE OF THE EDUCATION SYSTEM IN THE DEVELOPMENT OF HUMAN CAPITAL IN THE POLISH TOURISM INDUSTRY

Introduction

From the point of view of economics, the tourism industry should be treated as a form of management in the service sector. Services are the most dynamically developing sector of the economy globally as well as in the European Union and in Poland. The service sector constitutes more than 70% of the gross domestic product in the most economically developed countries. Economic activity in the tourism service market has a great impact on that percentage. Even though it is extremely difficult to clearly estimate the share that the direct tourism

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economy has in the gross domestic product, the research shows that, depending on the measurement method, this is between 5% and 6% in the case of the Polish economy. [Report, 2014, pp.3]

Tourism enterprises (hotels, travel agencies) are service companies, i.e. ones in which the human factor plays a special role. By bringing their experience, skills, abilities and own value systems, employees contribute to the development of a specific organizational culture and climate, which shape the distinctiveness of the whole system that a hotel enterprise is. In order for a tourism enterprise to function efficiently in the market economy, it should not only have adequate staff in terms of size, but also in terms of professional qualifications. Their level directly depends on the education system.

The objective of this article is to characterize the current Polish system for training personnel for the needs of the tourism industry as well as presents employers' expectations in that respect.

The article constitutes the result of literature studies and an analysis of available secondary data on the analysed issue.

The concept of human capital in the theory of economics

In the theory of economics, capital is understood as "all previously produced resources that are used in the production process" [Cyrson, 1997, pp. 20]. It can be divided into:

- financial capital (money used for investments and current expenses of a company);
- physical capital: capital goods, that is assets necessary for the production process (buildings, machinery and devices, equipment, stocks of materials and semi-finished products);
- human capital (acquired qualifications and productive capabilities of employees).

The essence of human capital is perceived differently, what results in multitude of concepts. Over the years, the approach to the issue of skills, education, experience and human attitudes as a capital has evolved in line with the development of the theories of economics. Although G.S. Becker and T.W. Schultz are considered to be the creators of the human capital theory, the origins of this idea can be traced back much earlier. Even the Ancients presented a positive approach to the division of labour and specialization that is reflected in the product quality. For instance, Xenophon of Athens (c. 430-355 BC) shared this approach as he stated in his work on management called *Oeconomicus* that "a highly-specialized craftsman will produce a better object than a regular producer” [Stankiewicz 1987, p. 46]. Xenophon deliberated on the division of work in accordance with vocational qualifications suggesting the relation between efficiency increase and skills a labourer had.

The economic thought was not a coherent scientific system during the times of the ancient and feudal societies, and economic views were of a normative character that was subordinated to the ethical and moral system. At the turn of the 16th and 17th centuries, new concepts emerged in the Western European countries that attributed the quality of being able to create wealth to work. One of the first people who realized the importance of the human in economic processes was W. Petty (1623-1687). He believed that the human factor is the basis for wealth and economic progress [Petty, 1958, pp. 563-573]. According to W. Petty, the people’s resources are renewable and can be developed and not depleted as it is the case with natural factors. The capital in a person, including their vocational qualifications, was for W. Petty one of the four factors - apart from land, labour, fixed assets and materials - that create national wealth. Despite considering land and labour to be essential, he underlined that people’s qualifications make that labour more efficient.

The second half of the 18th century was a period of a dynamic economic growth on the British Isles. Against this background, A. Smith’s (1723-1790) theory of economics was developed where one of the capital categories was people’s skills. Simultaneously, A. Smith claimed that a person and its capital in the form of accumulated skills should be treated separately. While skills are part of personal wealth, at the same time they are an element of the wealth of a society to which a person belongs [Smith 2013, pp. 40-41]. By highlighting the similarity between labourers’ qualifications and the properties of physical capital, A. Smith emphasized the need to invest in education. He claimed that work efficiency is determined by work quality and this in turn depends on the education and skills of a person.

J.B. Say (1767-1832) also referred to A. Smith’s views by seeing the benefits of the division of labour and intangible benefits that labour may bring. According to J.B. Say, human capital is created through various forms of education related to upbringing in a family, schooling, on-the-job training and acquiring skills. J.B Say believed that acquired knowledge is a capital of a given individual. Thus, he saw that the human capital in a person cannot be transmitted. J.B. Say’s significant accomplishment was the concept of entrepreneur’s individuality (production organizer) who is not to be confused with a capitalist as a capital owner. This way he emphasizes a special role of an initiative, organizational talent and other personal traits that are essential to run an enterprise. He was also the first to estimate the size of human capital through the value of future income [Say, 1960, pp. 867].

J.S. Mill (1806-1873) presented similar deliberations on the importance of education in the production process and economic growth. He distinguished two components of human capital: people's resources and skills, which he included in the national wealth and individual resources of a person. This way, although he separated people's personalities from their economic values, J.S Mill posited the determination of labourers' value through their knowledge and skills that define the level of qualifications [Mill, 1965, pp. 605].

J.S. Mill put special emphasis on the surplus of supply on the labour market. He established groups of people who had better and worse qualifications. By differentiating the qualifications labourers had, Mill defined their level by the time and cost of education. He also pointed out that the remuneration of people with better qualifications should be higher than that of unqualified people by an amount that would cover the costs of studying, make up for the losses caused by having lower remuneration during the time of education, including interests that a studying person would gain if they had not had to pay for education. J.S. Mill highlighted that a precondition for labourers' willingness to increase their qualifications is being paid more than less qualified people are throughout the whole work period.

As stated above, representatives of different theories of economics have laid foundations for the human capital category, but the development of a complete human capital concept can be dated no sooner than the 1960s. At that time, human capital was introduced for good to economics as a production factor by T.W. Schultz and G.S. Becker.

For T.W. Schultz (1902-1998), human capital was people's knowledge and skills and he emphasized the fact that individuals consciously invest in themselves to improve the economic results they achieve and their own wealth. This way he focused the attention on social and economic results of such investments by setting forth a thesis which stated that a faster growth of national income in comparison with a growth of labour, land and physical capital input is mainly connected with an increase of the level of education among working people [Schultz, 2014, pp. 24].At the same time, T.W. Schultz thought that each individual is equipped with a specific knowledge, skills and qualifications that can be treated as production factors. According to his theory, the outlays made to increase the quality of the human factor in production processes should be treated from a purely economic viewpoint, and more precisely as investment outlays. T.W. Schultz was the first to treat investment in people in such a way and distinguished five groups of components that develop human capital: formal education, on-the-job training, health, educational programmes for adults and migrations [Schultz, 1961, pp.8-13].

Whereas G.S. Becker (1930-2014) analysed the issue of investment in education as well as related costs and effects in reference to unemployment. He understood investment in human capital as allocation of resources that impacts future real incomes. He classified basic kinds of such investment in the following manner [Becker, 1975, pp.43]:

- expenditures on health care that increase the lifespan and raise health levels,
- expenditures on education within the education system,
- expenditures on vocational training and traineeship in enterprises,
- expenditures connected with population migration in order to adapt to new employment conditions,
- expenditures for acquiring vocational information,
- expenditures on scientific research.

The founders of the theory of human capital used the fundaments of I. Fisher's (1867-1947) theory of capital which defines capital as the value of resources that have the property of providing services that exist at a given time, whereas profit is the exchange of services at a given time [Fisher, 1927, pp.9]. I. Fisher emphasized that all resources can be treated as capital if they are used by a company. According to this view, the capital category can also include human beings by treating their skills, knowledge and vital forces as a resource that is a source of services in the form of future satisfaction or incomes.

It is worth noting that human capital undergoes the process of depreciation as some skills deteriorate when the person becomes older and are forgotten if they are not used. One way to develop human capital is to have practical experience as well as formal and informal education [Tokarz 2008, pp. 61-69].

Vocational education system for the needs of the tourism sector

The vocational education system encompasses all forms of vocational education and training focused on a general goal, that is providing the participants of this process with necessary knowledge and skills essential for efficient and effective performance of the trained occupation.

The first link in the process of institutional preparation of staff for the needs of servicing tourism movement is upper-secondary schools specializing in tourism. Educational establishments on the upper-secondary level can be divided into:

— basic vocational schools with programmes lasting between 2 and 3 years, which graduation grants a diploma confirming vocational qualifications after passing an exam and allows further education in supplementary general secondary schools or supplementary technical secondary schools;
— 3-year general secondary schools which grant a marticulation certificate after passing a marticulation examination;
— 3-year specialized secondary schools with vocational education and training (in specific branches of industry), which grant a marticulation certificate after passing a marticulation examination;
— 4-year technical upper-secondary schools that grant a diploma confirming vocational qualifications after passing an examination and a marticulation certificate after passing a marticulation examination;
— 2-year general secondary schools and 3-year supplementary technical upper-secondary schools for basic vocational school graduates;
— post-secondary non-tertiary schools with programmes lasting up to 2.5 years that enable students who have completed secondary education to obtain a diploma confirming vocational qualifications after passing an examination.

In 2014, there were 2053 upper-secondary schools specializing in tourism (including 631 technical upper-secondary schools, 86 supplementary technical upper-secondary schools, 141 post-secondary non-tertiary schools and 1195 basic vocational schools) in Poland [Report, 2014, pp. 195].

Basic vocational schools mostly educate cooks and waiters. Even though the programme, in quite significant part, consists of traineeship and practical training, the level of preparation to work is minimal and at best allows the students to perform tasks under the supervision of a more qualified specialist. The graduates with better grades have an opportunity to continue education in supplementary general secondary schools or supplementary technical upper-secondary schools.

The next level of education for the needs of servicing tourism movement are post-secondary schools, including post-secondary non-tertiary schools that train ‘hotel service technician’, ‘tourism service technician’ and both of these occupations simultaneously. They are run in vocational technical upper-secondary schools and their objective is to prepare students to the same occupation as in the case of technical upper-secondary school graduates. Post-secondary schools are mainly directed at general secondary school graduates who can obtain a diploma of a technician which is an equivalent of a diploma obtained by technical upper-secondary graduates.

The subsequent level of education in tourism-related occupations is higher education (bachelor, master and doctoral programmes). Higher education programmes include, among other things, the following specializations: tourism and recreation, economics, management. It should be noted that only the tourism and recreation specialization grants a Master’s or Bachelor’s degree in tourism and recreation. In other cases, the title depends on the specialization of selected programmes. The objective of higher education is to prepare graduates to hold managerial positions in tourism enterprises. In 2014, 89 higher education institutions in Poland offered education in tourism and recreation [Report, 2014, pp. 217]. The system of education for the needs of servicing tourism movement in Poland is quite extensive in terms of offered studies, specialisations, modes and types of schools. The large number of schools results in many graduates. Their number is presented in figure 2.10.

As figure 2.10 shows, the number of graduates of upper-secondary schools increases regularly, whereas in terms of graduates of higher education institutions, a decreasing trend can be observed: over 5 years (2009-2014), the number fell by 2,000 people (-15%). It is mainly due to a drop in the birth rate.

Apart from institutional education, qualifications necessary for work in the tourism industry can be also obtained through specialist courses. Mainly, contract employees working for the tourism industry use such an opportunity. This group consists of, among others, managers of school tours and teenage camps, mountain rescuers as well as tour leaders and guides.

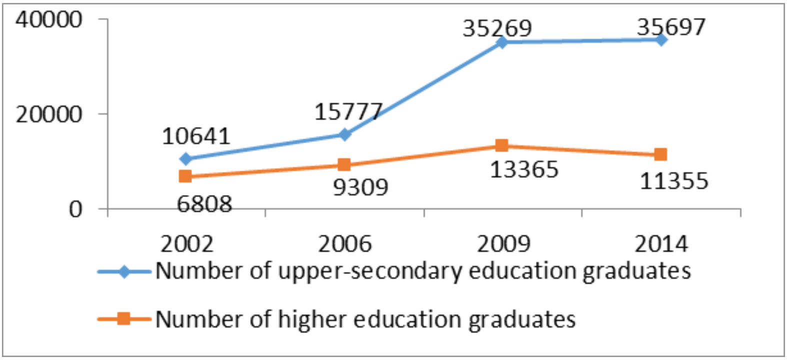

Figure 2.10. Number of graduates of upper-secondary schools and higher education institutions educating personnel for the tourism industry

Source: [Report, 2014, pp. 253]

Adapting the education system to the needs of the tourism labour market

Any forms of services provided for tourists and connected with travelling are called servicing tourism movement. Servicing tourists is complex and involves many entities from various sectors of the economy. It includes not only services arising from tourism activity, but also from any needs during travelling. Thus, the tourism industry generates many workplaces. A lot of entities can be employers in the tourism industry. These are mainly tourism organizers, travel brokers, hotel enterprises, providers of catering, information, tour leaders and guides.

In 2014, the number of people working in the tourism industry in Poland was 519,400 what constituted almost 6% of workforce of the whole economy and the largest group of workers, i.e. 34%, was employed in the hotel industry [Tourism Satellite Account, 2014, p. 36]

Vocational education and training is a field of universal education which development is determined by the condition and needs of the national economy. Vocational schooling is responsible for the supply side of the labour market. In a perfect model, supply should be absorbed by demand. In reality, there is usually no balance between demand and supply.

If vocational schooling does not respond to the needs of the national economy, this generates tensions in the labour market meaning that the oversupply of specialists occurs in specific occupations parallel to supply shortages in others.

The Polish labour market shows oversupply of graduates in many occupations, including tourism-related ones. As the report by the Ministry of Labour and Social Policy entitled "*Shortage and Surplus Occupations*" shows, out of 2601 occupations listed in the classification of occupations and specializations as many as 67.4% of them constituted surplus occupations in 2014, i.e. the labour market demand was lower than the number of people searching for work in such an occupation. Four occupations related to servicing tourism movement, i.e. a cook, a short order cook, a hotel industry technician and a hotel industry organization specialist, belong to surplus occupations.

The disparity between supply of graduates and demand for their work may result from the insufficient quality of education and from the fact that graduates lack qualifications adequate for work in the tourism industry. It is proved by information from the report "*Results of the Survey of Preference Concerning the Vocational Education Graduate Profile among Employers from the Hotel, Catering and Tourism Industry*" [Report, 2016].

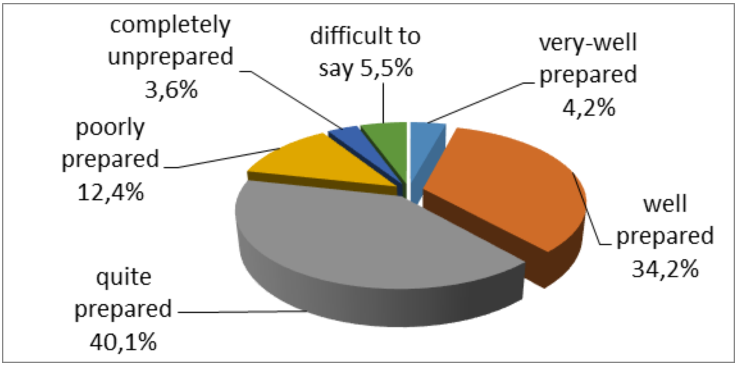

Figure 2.11. Assessment of the employed vocational education graduates (%)

Source: [Report, 2016, p.174].

According to the research results presented in Fig 2, employers in the tourism industry most often think that graduates that they employ are quite prepared to work (40% of answers). A positive evaluation was given by 38.2% of the respondents; 15.8% think that graduates are not sufficiently prepared to work.

The lack of correspondence between the knowledge and skills of workforce and the knowledge and skills that there is a demand for in the economy results in a number of unfavourable effects including mainly a possibility of employment of only a part of a work supply and graduates' frustration related to it, income reduction or social pathologies.

Conclusion

The personnel necessary for servicing tourism movement is prepared by educational establishments of upper-secondary and higher education. The system of education is quite developed in terms of offered studies and specializations. However, it is characterised by excessive focus on theory and unsuitability for the needs of the labour market.

As the survey conducted in 2016 by the Tourism Department in the Ministry of Sport and Tourism shows, employers of the tourism industry value most graduates of vocational schools (such an answer was given by 68% of the respondents). The responding employers prefer their employees to have higher education (27%). Only 5% of the respondents consider general education as desirable [Report 2016, p. 10].

Institutional education should be supplemented with an extensive as well as closely supervised system of specialist courses and postgraduate studies. It is also essential to monitor the tourism labour market constantly, what enables forecasting and gives grounds for determining the scope of educational needs of tourism in a few years.

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Chapter 3

JUSTIFICATION AND DEVELOPMENT OF MODERN MOTIVATIONAL MECHANISMS

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METHODOLOGICAL FOUNDATION AND DEVELOPMENT OF MODERN MANAGEMENT MOTIVATIONAL MECHANISMS

One of the key tasks of modern management is the management of the resources that are available to the enterprise in order to obtain maximum results. Increasingly, many scientists come to the idea that, the most important resource of the company is its personnel or human capital. As between motivation and efficiency of labor, there is a direct connection, the management of this measure plays an important role and personnel management in general.

In countries with developed market economies, motivational aspects of labor are widely used. In Ukraine, the motivation works as an economic category emerged and developed a relatively short time.

Any management system will not function effectively, unless developing an effective model of motivation, as it encourages specific individuals and the team as a whole to achieve personal and collective goals.

For the first time, the term «motivation» was used by Schopenhauer. To date, educational and scientific literature give different interpretations of this term. In some resources – it is a combination of factors that determine the behavior and steering, and the ways to achieve activity are ignored; in others - a combination of reasons. Motivation is seen as a process of mental regulation of specific activities, as motive and action process as a mechanism that identifies the origin, direction and methods of implementation of specific forms of activity.

The most important works, devoted to the foundation of motivation concepts are written by Abraham Maslow, Frederick Herzberg, McClelland and David Clayton Alderfer.

Labor motivation is a process of stimulating an individual or a group of people to activities aimed at achieving the objectives of the organization, productive implementation of decisions or specified operations.

According to R. Owen and A. Smith, the only motivating factor is money. Though, the experience of psychological research and data, show that not only money are the driving factor.

It should be noted that the first who introduced the mechanism of motivation of employees to their enterprise was Henry Ford. He decided to add to economic methods of motivation - raising the minimum wage is 5 times compared with companies competing also use non-economic methods, paid medical and social insurance, stimulated training their employees, their retraining. Innovative for its time was that one of the companies of Henry Ford worked as a team. Members of the team didn’t receive wages for their work and for leisure. It was a service team, which is responsible for the smooth operation of the pipeline, which received money only for what used to be when the lounge. The red fire was a signal of a breakdown, it excluded the counter, counting crew costs. So, the crew performed work always on time to quickly return to the lounge, and did the job efficiently.

Thereafter, a theory of motivation had been developed in researches of Pitirim Sorokin and Abraham Maslow, and companies such as Google, Intel, Apple actively use similar mechanisms of motivation.

Only well-designed model can effectively motivate and encourage staff as well as specific individual to achieve corporate goals. Any - model of motivation that includes stimulating models. In theory and practice of management not ideal multifactor and multivariate models incentive that would meet all possible requirements. However, there are popular models, different in direction and efficiency.

In our opinion, the most recognizable motivational models are the following:

- "carrot and stick";
- primary and secondary needs;
- internal and external rewards;
- stimulating factor model;
- justice;
- expectations;
- social justice and others.

To assess motivation, you need to apply several known theories of motivation. They can be divided into two groups. The first group can be called "factor theories." These theories are investigated factors that lead to motivation. The second group, the so-called "process theory". Process theories attempt to explain how the motivation of staff associated with the behavior.

The best-known "factor theories" are: the theory of hierarchy of needs Maslow. According to which human needs are arranged in a hierarchy and usually displayed in a pyramid. At the lowest level of the pyramid are the primary needs of man. Due to the implementation of a series of successive steps to meet human needs (principle of progress), it increases motivation and a need to achieve a new level (principle of deficit). Total Maslow distinguishes five levels of human needs: physiological needs, security needs, social needs, needs recognition and development needs. The continuation of the theory is the theory of Maslow K. Alderfer ERG. According to this theory, motivation of staff is based on the fact that employees seek to meet multiple needs and motivation system should reduce the possibility of recourse employee satisfaction.

The other group – the theories of process include: W. Vroom expectations theory, according to which most people do some action based on the expected result of committed action theory of justice John. S. Adams based on the position that employees expect fair balance between them efforts that they put on the job and reward for the efforts and goals of E. Locke theory, according to which people aspire to reach certain goals to meet their desires and needs.

The classic model of motivation argues that the satisfaction of employees and their performance is closely related. In his model of motivation Porter and Lawler argue that motivation is not a synonym for employee satisfaction.

Model of motivation Porter and Lawler tries to explain the complex relationship between the performance of staff satisfaction and staff motivation, which take employees through the system of incentives and rewards for the company. According to model low or high staff satisfaction is the result of the work done and there only when actually received remuneration equal to or above the expected level of remuneration.

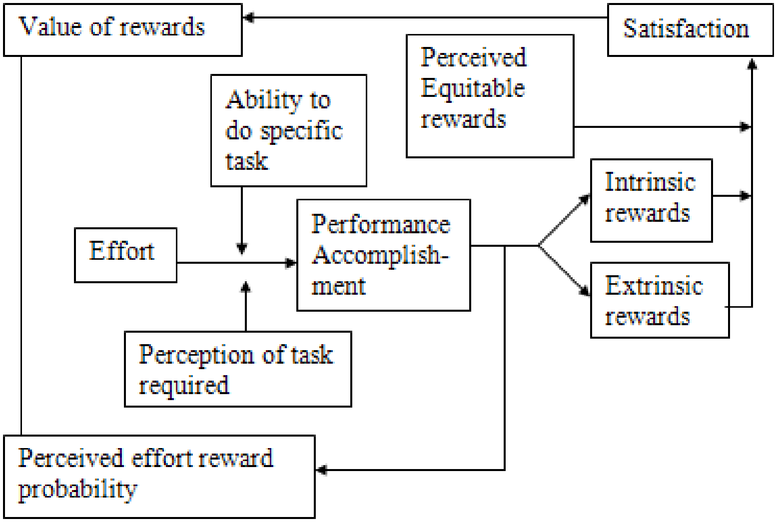

Figure 3.1. The scheme of motivation model of Porter – Lawler

So, Porter and Lawler consider the following:

- if the employee does not have the necessary skills and abilities to perform the task, even the high level of motivation to help him achieve satisfaction;
- high motivation can lead to increased productivity, if the employee does not understand the tools to perform the task;
- high importance is subjective (personal) assessment of employee quality of their work: the higher own assessment of employee quality of their work, the higher the expected level of remuneration;
- any increase in the intensity of effort and should directly correlate with an increase in remuneration for work.

The results of statistical studies found the most motivated employees of Indian companies, Brazilians and Chinese. In these countries, companies are able to motivate your staff and know how to increase the productivity of employees and their performance, and therefore increasing profit. Therefore, modern companies are interested in motivating staff and are willing to fight for it, to entice professionals competitors, raise their own change.

If management organization pays enough attention to the process of motivating employees, the company will perform more quickly in the direction of a staged plan, increase customer satisfaction, improve the psychological atmosphere in the team, raise team spirit, reduce to a minimum turnover of staff, which would entail reducing costs. Thus, the more motivated people - the better it will work.

Google fourth consecutive year, tops the list of best employers in the world. On the one hand, one could argue that the company can afford it, given its scale, but on the other hand, to create a project and constantly improved only required qualified employees with a desire to indulge the work completely. Because Google - the best use cases of how to motivate employees, that they bring as much benefit to the employer.

Thus, we believe that domestic companies can change their attitude towards employees, perceiving them not only as labor, but as ordinary people with their needs and desires. Overall business philosophy reflect future words written on tablets of corporate Google: "We recognize that our employees have a variety of needs, and this obliges us to be able to give them individual support orientation. Our priority now - to provide a program that can be tailored to the specific needs of each, whether he likes to travel the glaciers of Alaska, or wants to retire at the age of forty years or planning to adopt three children "[2].

Right by Google to the ratings of the best employers in the world are: KPMG, Ernst & Young, PricewaterhouseCoopers and Deloitte. Potential employees are very appreciated learning strategies of these firms. Education and training around the world are attracted specialists most productive age: not beginners and professionals who care about improving their skills. However, it should be noted that these companies operate a large number of young people and students and interns are encouraged to participate in business games and open days.

A striking example of respect and careful treatment of workers is a concern for employees aged and pregnant women. In addition, many companies are popular small reward, such as a prize "the best workers". The winner choose offer the most prize according to their preferences, music lover gets tickets to a concert, family man - tours to family amusement park and more. These methods of rewarding employees in Unilever [3].

SAS IT company in 2012 built a farm for cultivation of clean fruits and vegetables for their own employees. Also, the company provides an unlimited number of hospital days and 90% covers the cost of treatment. Every summer the Japanese company Hitachi conduct "dog day" when every employee brings their own pet and participating in talent shows. It is believed that this contributes to the cohesion of the team. And Intel's meet every new employee, spreading it to the red carpet, followed by introduction to the applause of workers. The company Intuit uses time as a reward, as considered that this is the primary motivator of corporate income [4].

In Ukrainian enterprises methods of employee motivation can vary and depend on the overall management and operations of the enterprise spratsovanosti motivation system in the company and so on. Table 3.1 shows which methods should be used for different categories of workers.

Table 3.1

Categories and motivation mechanisms

The name of the category	Motivation mechanisms
Students and young specialists, who have just graduated	• career prospects • improving of personal and professional level • opportunity to take the initiative
Young specialists with a little experience (3 – 5 years)	• participation in decision-making • implementation of major tasks • recognition of their work
Highly – qualified specialists	• possibility of horizontal development • special privileges

The most popular motivation mechanisms in Ukraine, due to the update researches, are (fig. 3.2):

In our opinion, motivational mechanism of remuneration provide great roleб but permanent increase ща wages is not conducive to the maintenance activity as employees at the appropriate level and growth of productivity. This method can be effective only for short-term stimulus as addictive to this kind of influence.

In many foreign countries actively developed and introduced material incentives mechanisms, among which are the following:

- individualization of wages;
- stimulation group;
- worker participation in profit;
- the right of workers to buy shares of the company on favorable terms and so on.

For our country such mechanisms are not traditional.

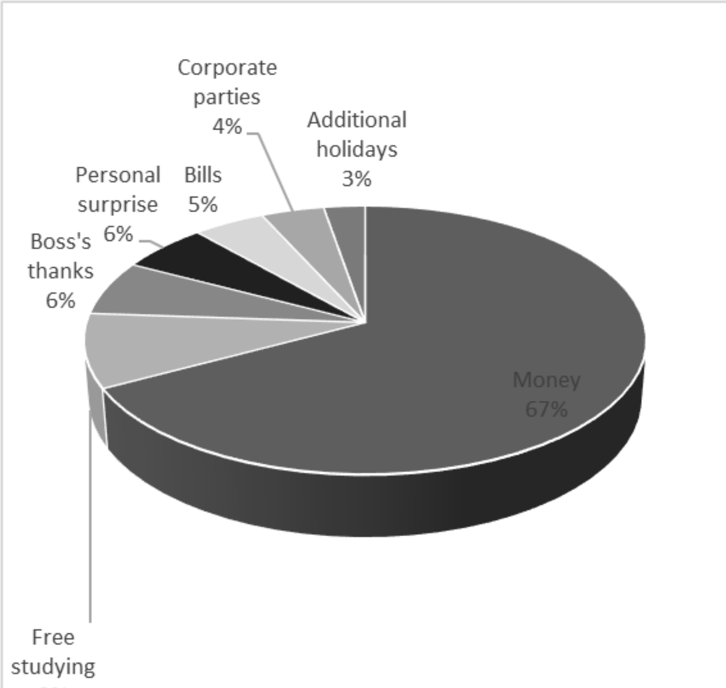

Figure 3.2. The most effective motivation mechanisms on Ukrainian businesses, in %

More and more companies come to the idea, that non-material motivation is more effective. Since every employee has their individual needs, motivations, desires about jobs, career growth, then the approach to each should be different.

To attract and retain competent employees form their loyalty to the company and increase motivation, in addition to basic salary, bonuses, bonuses, the employer must offer other rewards and benefits of social and immaterial nature that usually do not directly depend on the complexity of the functions and obligations the relationships and the results of labor. In this regard, in practice, the notion of "compensation package". One of the main principles of the compensation package of workers in the world is the observance of justice, in order to increase the effective work and commitment of employees.

Please, note, that no matter how good is a motivation system, after a certain period of time it becomes obsolete and ceases to act accordingly - the effectiveness of personnel is reduced. In such situations, you need to think about changing motivational model. However, we can say that the system of motivation for most domestic enterprises is not perfect. The most common problems regarding motivation are:

- remuneration varies in one level specialists in different divisions;
- remuneration system transparent for lower-level employees;
- most businesses are interested to pay workers the minimum salary, and not to change it in accordance with the general trends of the global labor market.

Such problems are not conducive to development of the company and the staff does not make all their efforts to achieve the goals of the company.

So, to make a conclusion, the process of creating a modern effective motivational mechanism is very complex, it should be seen as a multicomponent system of economic, social, psychological, organizational arrangements and methods of influence to meet the actual needs of staff in order to achieve individual and collective goals of employees and organizations.

An important place is the motivation of labor in comparison with basic needs, with individual, typological and age characteristics. They neglect, that hey can affect the efficiency of management. This complex is one of the most difficult to use, but at the same time the most promising because of minimal costs.

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GRADING METHOD-MOTIVATIONAL MANAGEMENT INSTRUMENT IN MODERN ECONOMIC CONDITIONS

In the conditions of increasing market competition, Ukrainian companies progressively pay attention to issues of staff motivation either financial or nonfinancial one.

Under the conditions of the development of an enterprise and existence of different forms of property, worker's income is not defined by the size of guaranteed payroll budget but it depends on results of enterprise activity. Choosing some payment an employer has a possibility to manage intensity and quality of labor of employees, that is the results of enterprise activity.

The forms of the payroll budget used nowadays at national enterprises are old. The majority of them do not take into the consideration the specifics of enterprise activity in market economy and the responsibility and results of employees.

Judging the experience of foreign companies stimulating their employees, the solution of this problem is in development and implementation of alternative system of salaries – the system of grades.

Research objective.

To investigate the advantages of use of grading system and define the common algorithm of the development of grading system in modern national enterprises is the aim of our work. We will try to generalize and develop in future theoretical and methodological base in staff motivation using effective grading system using as the example of American company "Kodak".

Review of recent investigations and papers. Дослідженню проблем організації оплати праці та системи грейдів визначення її сутності в умовах формування ринкових відносин приділяли увагу такі вчені економісти, як The following scholars as O.G. Melnyk, O.A. Grishnova, A.M. Kolot and M.V. Semykina paid their attention to the issues of organization of payroll budget and grading system, the definition of its essence in the conditions of forming of market relations but such economists as O.O. Bidyuk, S. Tsymbalyuk, V.P. Chemekov, V.M. Danyuk and O.O. Chernushkina and others paid attention to grading.

O.O. Bidyuk analyzed "The Prospects of Grading System Introduction into Enterprises of Ukraine".

"Preconditions and Advantages of Grading System Introduction on National Enterprises" has been investigated by Doctor of Economics, Professor at National University "Lviv Polytechnic" O.H. Melnyk.

V.P. Chemekov stated that using grading comparison of internal importance of the position for the enterprise with its importance in the market can be supported. That is why, the technology of grading does not only make the distribution of powers for an enterprise, establishment of grades and their tariffication but also the regulation between grades and tariffs according to market level of remuneration of labor.

V.M. Danyuk and O.O. Chernushkina emphasize that among tasks for grading, systematization of positions, standardization of remuneration of labor and, as a result, better motivation of employees. Grading system introduction supports achievement of business aims of an enterprise, realization of its strategic guidelines, attraction and keeping necessary employees, getting maximum benefits from investments into human capital [2].

The system of grades developed by Edward Hay appeared 50 years ago in the USA by order of national structures. The aim of it was to take into account the level of responsibility, the unique experience, knowledge and skills, the results of the activity of each worker at an enterprise.

The system of Grades or positions means corporate grading chart. It gives the possibility to build positional hierarchy based on flexible level of salary. Grading is creating hierarchy of grades, which is universal for company staff.

If a company is very big, development of such system is not necessary. In such case, to fix the level of compensation for both sides is simple and conflicts connected with salary are solved in separate order. Another situation when there are such problems at big enterprises. Enterprises have big losses because of not effective management of payroll budget and productivity of workers' labor can decrease because of nontransparent system of compensation.

There are some methods of solving the given problem (scholars provide near ten competitive methods) but grading in modern European conditions is the most popular [3].

In the USA, the most companies use another method – "market pricing". It provides study the medium level of salary for the given position on the market, on the base of which the payroll is done inside the company. In Ukraine, it is impossible because of absence of the corresponding information and a big quantity of "black" compensations for workers.

An enterprise should be ready for such changes and management should be sure in grading, which allows optimizing costs for the staff.

First, it is necessary to understand the aims of an enterprise introducing grades, because everything depends on its concrete problems. The aim of introduction of grading system of positions is creating the base for taking effective managerial decisions concerning salaries of workers. Further, on the base of the worker's position according to some grade is defined its employee benefits. Besides, on the base of an employee's salary is defined the size of bonus payments in many cases. Thus, having created the effective system of grades, an enterprise gets the instrument of influence on three components of costs for staff: salaries, employee benefits and bonuses [4].

The main advantage of the system from the point of view of an employee is transparency of prospects. An employee always understands what he should do, how and when to increase his salary. The system of grades allows employees to receive the conception about possible change of the level of income in different career transfers. The given system helps the management to take decision in indexation of salary and defining of the allowable size of bonus on new positions; HR-service (personnel selection) – to simplify administration of corporate system of financial stimulation.

Therefore, the method of Hay (grades) is to evaluate work of each position on the base of three main factors, which are considered the most essential.

To the first group belong knowledge and experience necessary for work. Specialists distinguish three elements in this group: practical procedures, special methods and ways, professional knowledge; management know-how (skills to plan, organize, manage and evaluate); skills in the sphere of communication (skills to work with people, contact with them and manage their activity).

To the second group belong skills necessary for problems solving. It includes two main elements: ability to think analytically, ability to be creative.

To the third group belongs the level of responsibility. It includes the frames in which an employee can take his own decisions, in general the frames of his activity, the level of influence on the activity of an enterprise.

The methodology is the following: a position "gets" from experts some quantity of points in each factor, which is considered important and actual for an enterprise. Done in such way many-factors evaluation reflects the relative importance of some position. Positions are referred to some grade correspondingly to the evaluation, which guarantee getting some salary or employee benefits [5].

That is to say, employees are at the same positions, e.g. project managers can receive different salary. Depending on their grade it is logically than an employee receives bigger salary if he has a bigger experience, worked on himself, he has a wide range of clients, his teamwork is effective and he can manage five or six projects simultaneously. This system also works in the following way: workers with the same grade (and salary) can occupy different positions, e.g. to be an expert and a head of the department. In this situation, it can be that employee is on the higher grade than a manager is and he can receive higher salary. It means that he is a unique specialist, and he is highly evaluated by an enterprise [6].

In practice of staff management the use of the term "grading" is traced for two different approaches:

- The first approach: position or work grading when positions are divided and ranged according to "grades" independently on which worker occupies the position. The grade of the position depends on value and importance of this position for a company;
- The second approach: grade of employees, when employees are graded and evaluated personally. In this case, totally the value of done work is taken into account and the value of a worker, which depends on

the level of his qualification, experience, skills and the level of the development of his professional competences.

We can say that each employee in such company is unique to some extend, and functions and tasks done by him can be considered as a separate position. Therefore, as we can see, employees grading foresees positions grading and evaluation of employees.

However, it is necessary to admit that during positions grading we can not avoid evaluation of employees. That is why, if we do not fix clear, objective and understandable for employees criteria, definition of their personal salaries at enterprise, aims of optimization and their motivational power will not be realized [7].

To run payroll calculations at an enterprise, it is necessary to estimate potential value of an employee for a company, which depends on his qualification, experience and the level of his professional competency. That is why, the system of evaluation of staff is logical and necessary continuation of grading system. Staff evaluation depends on possibilities and peculiarities of a company. It can be either a simple formal evaluation of the level of education of professional term of service or full evaluation of according to professional competencies of employees [8].

Realizing it organizational structure of a company should be analyzed in details and all key positions should be emphasized. Each position is evaluated according to some parameters, besides professional skills it can be such characteristics as the level of responsibility, unique experience, knowledge, skills, result of activity, loyalty to a company, leader’s qualities, the value of work, etc. For each parameter, its scale is developed on the base of which all positions are evaluated. Joining positions into groups on the base of received points creates the only linear scale of evaluation of employees according to which positions of different departments can be compared.

It is one of the most complicated and responsible stages during creating grades, because it will be necessary to do complex analysis taking into account a big quantity of interconnected factors. In such way ranging of all positions are done, that is unique segmentation of staff in a company is formed. Many specialists suggest the use of the system of grades is justified only at big enterprises. Grading needs essential costs not only for development, but also, for support, it is very difficult to support the actuality of the system during some time and organize its effective functioning with real return during a long period.

Especially it is typically for companies with quick development and to develop grading system is unprofitable. The system of grades introduction into big companies can increase significantly the effectiveness of management of wages fund. The more employees are at a company, the more benefits are from introduction of such system [9].

The most famous instruments of grading are methods “Hay Group” and “Watson Wyatt”. The first one is a universal, “free from industrial component” and the second one is oriented on defining grades in management, besides it foresees the evaluation of managerial and ordinary positions. There are methods, which big corporations create for their own needs. Therefore, the company “Kodak” uses enough compact method allowing ranging all positions according to criteria as important and clear for it. Thus, positions tested by “Hay Group” method in any place of the world and in any company can be compared and activity evaluated by the method of “Kodak” can be compared only within this corporation.

“Hay Group” method.

The method is famous under the title of “Hay Guide Hart Profile Method”. While evaluating according to this method, the content of each activity according to each factor is analyzed and numeral evaluation is received. This method foresees the evaluation of complexity of activity according to three essential factors:

- Knowledge and skills;
- Problem solution;
- Responsibility.

Each of them is divided into eight elements. For each element wide descriptions of each level is composed, which are guide for experts and support the sequence of use. The description of the level gives the possibility to define the measure of complexity of the given element and express it in numerical meaning. This method foresees the use of additional tables according to which the quantity of points is calculated. Measure scales were developed according to geometrical progression. All activities are divided on axis of factors. The role of “the system of coordinates” is fulfilled by the lines and columns, which are defined in the evaluation of the position profile [10].

Each table management is defined by the factor in terms of two (for problem solution) or three (for technology and accountability) of elements. Lines and columns of table guide create the description of requirements for activity. Cross of the corresponding description of a line and a column according to three measuring evaluating work gives mark in points.

Employee, who evaluates, is offered to choose the corresponding meaning from three variants one of which is medium and minimum and maximum decline in 15%, which is observed in all lines and columns of method. In opinion of modelers of Hay method, researchers define minimal threshold of audibility as “thin adjustment”. Choosing the meaning of the factor, putting signs “+” in case of choice between the given and further level, and “–” in case of choice between the given and preceding level. To simplify the work with the method, you can choose intermediate method – development of a person who will put questions and who will be suitable to work.

Different correlation of factors is correspondent to different works. For instance, the part of technology in profile decreases in motion from left angle of the table to the right one in the bottom of the table, that is, in left upper corner are placed scientific and analytical lessons concentrated on scientific activity (e.g. a scholar) and in right bottom corner are placed tasks for the activity done with high accuracy and responsibility (e.g. a driver). On the base of continuous investigations, developers of this method emphasized the centers of the table, which reflect improbable combination of parameters of one factor.

Hay method in the conditions of market economy is one of the most important. It is used in more than 8000 companies including half of 50 biggest world companies [11]. In the conditions of globalization of economy, the given method is used and can be recommended for Ukrainian companies. Nevertheless, the use of Hay method in Ukraine is suitable only in such cases, when to define the complexity of activity or qualification of employees, there is no possibility to use professional handbooks acting on the territory of Ukraine.

“Watson Wyatt” method.

This method was developed on the base of some other principles than Hay method [12]. If the last one suggests evaluation positions in points allowing ranging them according the received scales, then “Watson Wyatt” system, on the contrary, at first refers positions to some category and then within its frames “weighs” their functionals according to factors for the accurate definition of grade. The system clearly shows any position in “Grade Map”, what includes 25 grades, besides its global character is defined by that it builds either the unique hierarchy companies or positions independently to each sphere of activity they belong and on which markets they work. “Weight” of a position is defined by the way of correlation of internal descriptions with described seven main factors according to their levels.

Evaluation position process occurs in three stages:

- Company's grade is defined;
- Category is defined;
- Position grade in category is defined.

The value of the method for users is possibility to compare the level of payment orienting not on the titles of positions but on their "weight" (grade), profile and functional.

Method of a company "Kodak".

The method of evaluation positions and company grading "Kodak" was developed on the method of weight of factors: each work belongs to some gradation of factors with fixed weight and evaluation position. The weight of factors is a result of investigations and many measures [4].

Four factors are used in the company, each of the factor has maximum meaning:

- Requirements to knowledge – 500;
- Responsibility – 270;
- Work conditions – 270;
- Relations with workmates – 120.

The sums of the weight of factors of any position are located on the scale in length until 1000 points. To calculate the meaning of each factor there is a specific table.

The factor "Requirements to knowledge" includes parameters "Previous requirements" (gradation from 1 to 8) and "Complexity of knowledge" (gradation A-D). Thus, the table "Requirements to knowledge" is of size 48, in each centre there is a "weight" already. The position being in concrete centre obtains some meaning ("weight") with step of 50 points.

Parameter "Previous requirements" reflects, mainly, time in months and years, which are necessary for mastering the work at a concrete position. "Complexity of knowledge" parameter is similar to "Depth of knowledge" parameter of the factor "Knowledge and skills" in Hay method.

The factor "Responsibility" is linear and has three gradations of positions division, each of them is subdivided into three but without description of criteria of such division with step in 30 points. The factor "Work conditions" is a table of size 4:4 including parameters "Harmful work conditions" (A-D) and "Physical efforts" (1-3). The step of change "scales" is 30. The factor "Relations with workmates" is analogical to parameter "Level of communications" of Hay method and has four gradations [13].

It is typical that in each factor is a centre not appropriating “weight”, marked as basic. Positions having minimum grades, e.g. cleaner, driver, packer of records, operator of chemical unit and etc. are located in it.

Thus, having defined the centre in which is evaluated position or simple having found the searched work in a corresponding centre, its “weight” is defined in each factor and after summing the total “weight” of the position is defined. This method indicates the sum of points correspondent to grade.

In opinion of some analytics, grading is suitable to enterprises with staff not less than 500 persons, but different variants depending on aims and realization of the scheme are possible. Besides, in this system of payment is the range of advantages, the meaning of which considerably increases with the growth of staff deficit [14].

The main advantage of the system from the point of view of an employee is transparency of prospects. The quantity of grades may vary from 5–7 to 20. The definite size of salary is correspondent to each grade or “salary brackets”, which may be revised but the system of grades remains unchangeable.

The aims of grading:

1) systematization of denomination of all positions at a company;

2) establishment of clear limits of value of all positions of a company;

3) creating simple, understandable, clear and fair instrument to do payroll;

4) development of the system of work evaluation of company staff;

5) creating the base for planning the development of company employees;

6) introduction of a new approach to the cycle of recruitment, rotation and firing of company staff.

The main advantage of grading is transforming nonmaterial indication (the value of a worker’s activity) into financial equivalent.

On the base of grading corporate, policy of compensation and benefits allowing optimizing the costs for personnel using not formal salary fund cut but owing to improving organizational structure and staff list is developed. Therefore, the system of grades allows simplifying administration of corporate system of financial stimulation and defining the size of reward for new positions and influencing on the base of composite costs on personnel [2].

Among tasks put before grading, systematization of positions, and standardization of payment and, as result, better motivation of employees. Introduction of the system of grades supports achieving business aims of a company, realizing its strategic guidelines, recruitment and keeping necessary employees, getting maximum return from investments into human capital.

Development and introduction of fair and corresponding for a company and employees the system of payment is an important factor of increase the level of working motivation of the personnel and increase of effectiveness and competitiveness of a company in general. Besides, having introduced such system, a company excludes the possibility of subjective attitude to payment, potential favoritism and blackmail of employees in order to increase their salary [15].

Conclusions. Grading evaluation method of positions and building the system of benefits, which the most influenced corporations of the world use in 80% is an optimal alternative for tariff approach, used nowadays at the most Ukrainian enterprises. The use of the system of double grading in Ukrainian conditions puts in doubt transparency and fairness of grading method that is why, its use is not expedient nowadays. At the same time, Ukrainian companies can adapt classical grading systems to their own needs and requirements, besides, following the main principles of evaluation positions.

Therefore, having investigated the peculiarities of the system of grades, having evaluated its positive and negative sides, widening of the sphere of the use of the given instruments at national enterprises is suggested to be widened. The given system can be established either at big or at small enterprises of all types of activity and it allows supporting the objective evaluation positions (work) and fairness of employee's benefits, what is one of the main requirements to the system of payment in market conditions.

In the West, the systems of grades were introduced and used successfully at all enterprises, such as Kodak, Pepsi, IBM, BMW and others. In Ukraine, some principles of the given system are used by "Intertype", the First Ukrainian International Bank, at open joint-stock company "Azovstal" and others.

According to experts' assessments, grading becomes popular in Ukraine as a measure of payment because of information protection of national market. The system of grades is enough logical and open for realization in any company.

Therefore, grading is a diverse phenomenon. Introducing and using the system of grades each modern enterprise can not only improve the system of motivation but also improve the system of staff management in general. The use of this method gives the possibility for employers to reward their employees fairly and individually taking into consideration their skills, execution of tasks and observance of official obligations, etc. Grading gives the possibility to have a clear system of position salary understandable for employees. An employee will be more devoted to his work and a company if he is well informed.

Judging by everything, grading should be suggested as modern technology of the motivation system in view of financial component. The prospects of further investigations and development of grading are development, and adaptation of the system of grades for the most Ukrainian enterprises, whose aim is to meet the requirements of the world company management.

We suggest that introduction of the modern system of grades at enterprises will allow supporting the objective evaluation positions and effective personnel work and, thus, fair benefits for employees what is one of the main requirement of the payment system in market conditions and it will optimize wages fund.

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MOTIVATIONAL MECHANISM OF ENTERPRISE LABOR POTENTIAL MANAGEMENT

International integration, competition increase and economic and social conditions complexity of the economy actualize enterprise search of internal reserves for improving the results of their economic activity. For significant external constraints, manifested in the partial loss of markets and raw materials, violating partnerships and possibilities to attract financial resources decrease due to increased uncertainty and projects riskiness and common problems in the financial system, the main resource and reserve for enterprises that in any conditions can generate new opportunities and create competitive advantage is the improvement of labor potential management.

The widespread introduction of scientific and technological achievements, dynamic innovative development of versatile influence on the labor sphere, role and importance of human in social production. From one hand, requirements for employee professional qualification and sectoral structure of employment are significantly changing. On the other – the and importance of worker to ensure production efficiency as cost-effectiveness of any enterprise depends on how much worker's creativity potential is implemented, all their possibilities are mobilized, how rationally is labor process organized. Employment potential is "creative component" of economic potential, able to flexibly and independently affect the tasks and ensure synergy effect from the interaction of other elements.

The survival and success of the enterprise in the modern competition does not depend on the technical level of production, the progressivity of the technologies, condition and quality of labor potential of the enterprise. The cost of labor potential development become an important component of investment in the future of the company. Leading companies in developed countries investment in fixed assets relate to the cost of human capital as 1:2. Therefore, a fundamental change in the conditions of competition should cause significantly changes in the criteria for personnel performance evaluation, approaches to motivation and stimulation of its work.

The processes of formation and use of enterprise personnel for a long time are the subject of research. Theoretical and methodological aspects of research and institutional capacity of labor and its management were explored in such works of domestic and foreign scientists as O. Bevz, A. Borysov, N. Verkhoglyadova, A. Voronkova, B. Genkin, N. Gladchak, O. Grishnova, M. Dolishnii, L. Lysogor, E. Libanova, O. Oleksjuk, I. Repina, Y. Utkina, O. Fedonin, A. Cherep, L. Yankovska and others. Scientists claim, that nowadays one of the priority tasks of the management is the formation and evaluation of current and future opportunities of the enterprise, as its capacity [1, p. 47-50; 2, p. 61-62].

The labor potential is a one of the major components of economic potential. Category "labor potential" considers employee not just as a part of manufacture, but as an integral driving force in all stages of the production process, as the bearer of social needs. Recently, more and more labor potential is considered as an element of the human factor of production, namely as a socio-economic phenomenon [3; 4].

Various aspects of the labor potential are revealed by such categories as human capital, personnel, staff, labor force. These concepts according to their origin reflect the gradual awareness increase of the human role in society and economic life. On the basis of summarizing the views on the nature of this category, it can be divided into six scientific fields of meaningful labor potential interpretation: economic, etymological, demographic, resource, system, factor.

In the economic literature, some researchers use a simplified understanding, with not deep content of the term "labor potential". It is about identifying the labor potential of only quantitative or qualitative characteristics of human resources (in line with the factor interpretation). A large number of specialists in their works on the labor usage combines quantitative and qualitative parameters of labor potential. This includes defining the meaning of the labor potential of the D. Bohunia, O. Grishnova. Among the prominent national experts should be distinguished S. Pyrozhkov, who provided development of separate scientific direction of labor potential problems. In addition, there is an unjustified identification of labor and human resource potential (N. Krasnokutska, Y. Bieltjukov).

In our opinion, given that the labor potential is a set of skills and capabilities of workers to ensure the objectives of long-term (perspective) of the company, for the disclosure of these abilities and opportunities, staff should be divided to groups, which play different roles in achieving the goals of the enterprise development: employees, who define the goals of the enterprise; workers, who are developing the instruments to achieve goals (production, research and development, technology); workers, organizing the process of creating the instruments to achieve goals; workers, who directly provide the instruments to achieve goals; workers, serving the process of creating the instruments to achieve the objectives [3]. So, summarizing the existing research, we believe that in total labor potential structure of the company based on the analysis criteria for substantiation of administrative decisions should be isolated some of its specific manifestations. In addition, it can be concluded that the labor potential of the company is formed from the inner qualities and capabilities of its employees. The effectiveness of the implementation of the labor potential of each employee depends on the conditions in which the labor activity is functioning. Therefore, the formation and development of labor potential should be done by improving existing, developing and implementing new methods of human resources management, including - the creation of an effective system of motivation.

The study of foreign experience of enterprise staff management in terms of achieving and preserving their competitive market advantages allows to distinguish four types of companies:

1) small and medium-sized enterprises, that hold a free from competition market part, do not pay special attention to motivating and encouraging of staff, formation of loyalty to their company;

2) enterprises, that orient their activities at the company-leader in the market, creating similar organization and promotion of staff system, seeking to optimize the number of employees and attract highly skilled professionals from the best enterprises in the sphere;

3) companies, that are considering labor potential management as a guarantee of sustainable development, and personal potential of each employee - as a value for the enterprise, motivation and stimulation of labor improve - as a part of the corporate culture;

4) world class company, who are considering the development of labor potential as a determinant to ensure long-term competitiveness in the market, and its management is heading to overcome the competitors achievements.

The need to balance individual and group interests of enterprise potential realization process "participants" (owners, top management, each employee) actualizes the importance of grounding a balanced approach to ensure high motivation of employees to disclose personal capacity, intellectual capacity and high-resultive work in direction of implementation of duties, enhancement of competencies, implementation of production functions and tasks and achievement of the enterprise objectives. Scheme of driving enterprise potential elements interaction as a result of the labor potential realization is shown in figure 3.3.

According to the data in figure 3.3, we can conclude that resources are converted to the expected results as a result of certain activities provided the necessary abilities and competencies of staff provided by the implementation of appropriate opportunities.

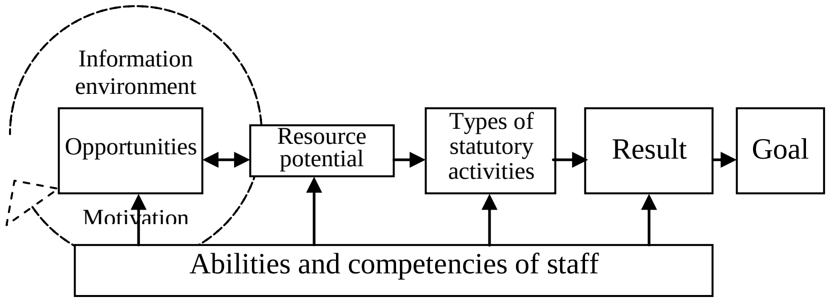

Figure 3.3. Enterprise potential elements interaction scheme

In practice, are realized only the opportunities which are made up by the internal and external conditions for use of which personnel competence is formed, and are provided with sufficient capacities.

Thereby, providing the enterprise capabilities management, you need to consider a system of interrelated internal and external capabilities, abilities to implement them, the implementation of statutory activities, mobilization of personnel competencies, which set in motion all the other components of potential and are necessary for the operation and development of the company in the current and long term periods.

Review of existing approaches to the classification of labor potential reveals that the majority of scientists in the structuring of labor potential mainly paid attention only to the labor potential of employee, ignoring the labor potential of the team. Based on the selected key essential characteristics of enterprise labor potential and generalizing of existing approaches to the structure of the labor potential of enterprise features, we offer to select group features to be considered when developing an effective mechanism of labor management.

So, the first characteristic (property) of the labor potential of the enterprise is reflected in its classification agregative ratings:

- labor potential of employee;
- labor potential of employees;
- labor potential of the company.

The second feature of the labor potential of the enterprise may be reflected in the labor potential for grouping capabilities that used or may be used:

- implemented labor potential;
- untapped labor potential.

From this classification derivative is the division of labor potential of the enterprise on the degree of manifestation:

- available (shown by) used in the work;
- hidden, that will show up under the influence of various factors.

It is proposed to attribute to these factors: motivation, increase of labor outcome interest, implementation of interesting and creative work; favorable moral and psychological climate in the team; incentives, etc. [3, p. 258].

In terms of relevance and sufficiency of the objectives of the enterprise labor potential of enterprise is appropriate to characterize as: actual; planned.

Also is needed to consider the way the participation of certain categories of workers in the entire team:

- technological personnel labor potential;
- management personnel labor potential;
- staff labor potential.

Structuring labor potential at the microlevel should be subordinated to the tasks, facing the enterprise capabilities, the impact on personnel at its disposal, and the level of competence regulator.

Separation of components for various classification features allows them to group items for possible impacts on them; omission prevented through the provision of elements that form a whole.

Clarification of the nature and structure of the labor potential of the enterprise is a prerequisite for all measures, to improve the quality of management. Awareness of the importance of the labor potential of the enterprise to achieve its current and strategic goals necessitates a comparison of the actual state of the labor potential of the enterprise as a whole and the needed to ensure its proper functioning and development, that is - evaluation. An important task of management is the selection of appropriate method and proper organization of the process.

Describing the assessment of labor potential of the enterprise, consider the key points that will model its configuration and flow. By the determinants of this process should be attributed [4, p. 33]: the object being evaluated; entity that estimates; assessment base (standard quality); algorithm (logic and methods) of assessment.

Assessing should be applied to the total value of labor potential and its individual components. Naturally, that approaches to structure and character of the selected components determine possible methods of evaluation. On the other hand - the structuring depend on the purpose of evaluation and ways of assessment results using to justify management decisions. The general scheme of the main determinants of labor potential of enterprise evaluation is shown in figure 3.4.

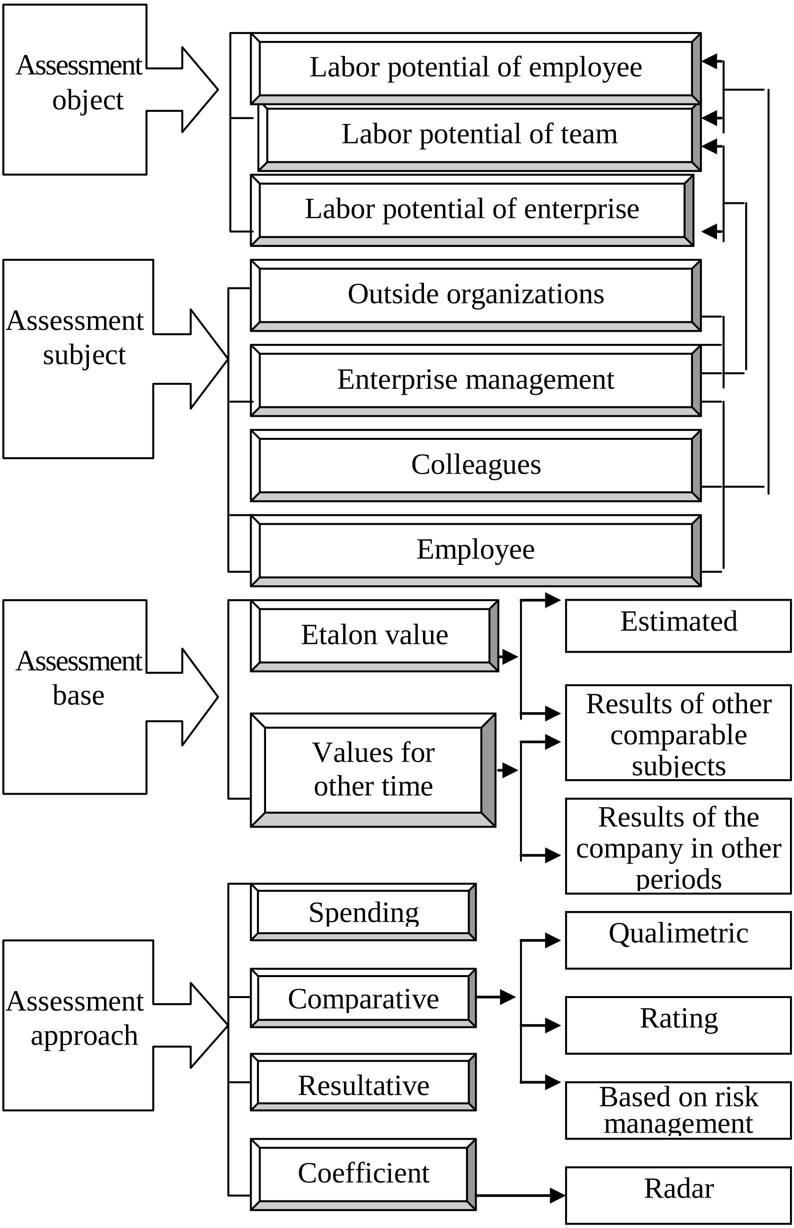

Figure 3.4. Assesment determinants of labor potential of enterprise

However, it should be noted that the most effective factor influencing the level and extent of implementation of the labor potential of the company is the use of various means of motivating staff, taking into account the results of their individual assessment. Selection of methods and formation of motivation system should be carried out according to the motivational needs of each employee. In the field of labor potential management theory and its employment component on the selection of components and formation mechanism of effective management on the basis of incentive today there is a significant gap. It remains marked as unreviewed issue of complex management tools which deal integrated motivational effect on staff in order to realize their employment potential, which determines the urgency and the need to develop motivational mechanism of labor potential of the enterprise.

We believe that the size of the elements of potential in the overall economic potential and the power of their influence are unequal, but at the same time, all of them are necessary and determine the total potential value of the enterprise. Generating and integrating role is played by motivated labor potential. It should be emphasized that the components interact with potential synergies law that significantly increases or reduces the potential of the enterprise, generating its new quality. The total effect of potential action items of the company can and should be greater than the sum of the effects of implementation of each particular or weaken them, showing both positive and negative interactions. This is because under the law the integrity of the interaction of all resources, which create this system, appear new features, which every single type of resource doesn't have.

Synergy law states that for any system (enterprise, organization) there is a set of elements in which its potential will always be or much more then simple sum of the potential of certain elements that it includes, or significantly less. Integrating and stimulating element of this interaction is the system of enterprise personnel motivation and motivational elements of the its potential management mechanism (fig. 3.5).

Overall motivational component of the enterprise potential management mechanism should be seen as a self-regulating system of motives and incentives of staff in the structure of adaptive enterprise management potential, formed on the basis of individual needs, implemented through collective (group) interest of personnel, based on forms, principles, methods and tools of management, using proposed instruments in the process of social and labor relations for optimal enterprise activity results.

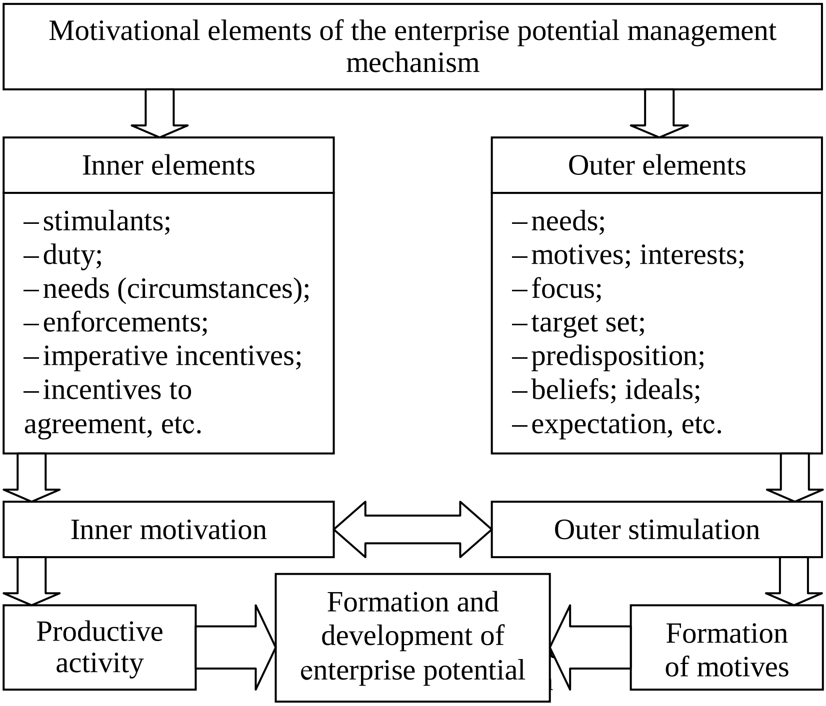

Figure 3.5. System of enterprise personnel motivation and motivational elements of the its potential management mechanism

For realization of motivational element of enterprise management mechanism it is needed to create conditions for the staff to realize the need of finding ways to meet the need, deterrence or ignoring it. Defined, the employee reveals his further activity on the enterprise, productivity, the impact on the formation and development of economic potential.

Achieving results is possible only with the appearance of the needs and interests, which in turn encourages employees to certain actions, to the emergence of a whole motive. The motives arise, develop and are based on needs, but they are relatively isolated, because needs not always determine motives. For the same needs of different people there may appear different motives. Consequently, the motives and incentives form the basis of effective motivation formation and they should be provided by the mechanism for enterprise potential management.

Thereby, the formation of effective mechanism for potential management on the motivational basis hould be based on certain principles and methods aimed on increasing the effectiveness of the formation, evaluation and development of capabilities, ensuring its competitiveness, using a certain set of tools and methodological approaches. In addition, the enterprise management potential has to use scenario analysis techniques, based on simulating future conditions of studied phenomena and processes, selecting the optimal trajectory of events and therefore shaping the activity strategy of the entity and the development of its total capacity.

Effective implementation of an optimized mechanism in place should ensure the more efficient operation of the entire enterprise through an established labor potential activity of the entire enterprise. On the other hand – it is recommended to work to improve elements of the labor organization in the enterprise.

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INNOVATIVE TECHNOLOGIES IN GRAPHIC PREPA-RATION OF STUDENTS IN TECHNOLOGY AND ENTER-PRENUERSHIP AND MOTIVATION MECHANISM

The preparation of specialists capable of adapting to life in society with changing socio-economic conditions is one of the most important problems of the education of students in higher education institutions. The problem of modern pedagogy is the lack of interest in students to learn and acquire knowledge.

After entering university they wish to receive certain volume of knowledge necessary for their future life or to meet their own needs of knowledge, but over time for some of them the motivation to the learning process disappears, while for others - for various reasons the motivation decreases with the time. Therefore, the problem of student motivation for learning becomes relevant in the modern university. In this connection, it is necessary to find mechanisms for the formation of students' motivation so that they'd be able to purposefully influence it, in which teachers will be able to effectively manage the learning process, increasing the interest of students to study subjects in their chosen profession. With the use of pedagogical and psychological mechanisms of motivation, university staff will be able to improve the quality of the educational process and its results. In harmonized system of teacher – student relations, the trainees will relate consciously to their needs and make plans for the future, based on real motives.

In the field of technology and entrepreneurship, the training purposes are related primarily to the professional development of students, the formation of qualities, skills and knowledge that will help them find their place in a fast-growing, highly competitive world of new technologies, opportunities and challenges.

One of the most important tasks of higher vocational education is the training of future teachers in technology and entrepreneurship, capable of innovative activities. At the current stage of development of the system of higher vocational education it is believed that it is important for the graduates to be carriers of technology culture and modern innovative technologies in order to achieve projected objectives. The process of modernization of vocational education determines the need for qualitative changes in the system of professional training of graduates from university.

Motivation is one of the main conditions for the realization of operations for reaching the target set. And since the foundation of motivation are the needs and interests of individuals, it is logical to conclude that in order to achieve good results, the student is required to ensure that training is to become a desirable process. In this context, the motive is seen as targeting the student to various aspects of academic work related to their inner attitude towards it.

An instigator of educational activity is the system of motives, including: cognitive needs, goals, interests, aspirations and ideals. These are motivational elements which impact active and purposeful character. The motivation for learning can be defined as a system of incentives causing school activities. In formation of motivation for learning, it is particularly important to know the real level of development of reasons, to define the zone of proximal development, as well as the distant prospect for development. The main source of the formation of all types of educational and cognitive activity of students is intensifying their training activities. This can be implemented in various forms of school work with the most diverse methods and means.

Like any other kind of motivation, the academic motivation is determined by many factors specific to this activity. Quite conditional and not in order of importance, they can be represented as follows:

• First, it is determined by the education system itself and the educational instituion where they carry out educational activities.

• Second is the very organization of the learning process.

• Third is the subjective characteristics of students (gender, intellectual development, abilities, belonging, self-esteem, interaction with colleagues, etc.).

• Fourth are the subjective features of the teacher and above all their attitude to the student and the work.

• Fifth is the specifics on the subject.

Taken together, all these factors determine the extent of formation in student’s cognitive motivation. What is more, this should not neglect the fact that each student has their own peculiarities and hence - motivational sphere.

Motivating students is one of the most effective ways to improve the learning process at the university. The motives are the driving forces of learning and mastering the material. The motivation for learning is quite complex and ambiguous process of changing the attitude of the individual, as well as to a separate field of study and to the entire learning process. Particularly important is solving the problem of motivation for training students in "Technology and Entrepreneurship", as in their future profession they need to motivate their students themselves.

To increase student's motivation new methods and training tools are needed to meet modern requirements. It is recommended that in higher education be offered a wide range of new teaching methods based on active or experiential learning, thereby the objectives be aimed at increasing the involvement of students in the learning process and improving the results. It is requisite for the applied methods to allow the implementation of educational - cognitive activity using techniques that stimulate motivation combined with methods of control and self-control.

The efficacy of each instruction depends on the following components:

• effective interaction between teacher and student;

• technologies used in learning;

• efficiency of the developed methodological materials, their presentation and manner of use;

• efficiency of the feedback.

The success and quality of education depends on the effective organization of teaching and the quality of materials used, pedagogical leadership skills of teachers involved in this process.

Innovative methods and technologies in the learning process aim to form and develop the cognitive abilities of the students. Compared to traditional forms, innovative methods make the student an active participant in the learning process and put them at the center of educational interaction. (Golenkova et al., 2012, p. 251)

Training can be seen as a dialectical process and therefore the system of training methods should be dynamic, taking into account the changes that occur in the practice of their using. Good knowledge of the advantages and disadvantages of traditional training methods is a prerequisite for effective learning and development and implementation of new, will lead to the enrichment of the procedural side of technology training.

Training methods are one of the most - the essential components of technology education with an extremely complex structure. Through them are realized the main strategic directions of the learning process, to achieve its goals and objectives. According to Churukova et al. (2000, p.103) "from the selected and used methods of teaching and learning depends whether the students will master the learning material lively, with passion and interest and will meet the continuously emerging challenges as exciting intellectual perspectives in their work, or will watch it as something that does not leave a lasting impression in their minds or not accompanied by creativity, joy and satisfaction to spiritual enrichment.”

In order to function optimally the training needs the use of methods that are adequate to the intended learning, and developing educational purposes.

Technologies in training are all kinds of technical tools and resources that can be used as a medium for knowledge transfer and information: computer, audiovisual, Internet-based ICT (Information and Communication Technology, systems and others. Technical equipment - the hardware must be "revived" by appropriate software to provide educational materials made according to modern pedagogical theories. The technologies of training are based on "intelligent" approach to understanding and application of ICT in education. It is characterized by a combination of ideas, methods and research solutions from the scientific fields of psychology, pedagogy, methodology, etc. along with technical achievements in the field of ICT. Moreover, integration of technical means and methods on the one hand and the humanities on the other, create conditions for optimal learning environment in which to exercise effective learning process. The way to realize the classical methods of teaching and strengthening knowledge through the application of new technologies in learning is of vital importance.

The development of information technology contributes significantly not only to improve the methodology of general technical sciences, but also for the overall rethinking of approaches to teaching.

The new electronic tools enable using specialized software and hardware to carry out activities that would hardly be feasible with conventional training tools

The use of innovative methods in graphic preparation of students, together with traditional training methods, increases the effectiveness of training leads to higher scores of knowledge, skills and competencies.

The use of computer technology in teaching engineering graphics is a major innovation.

The main types of applied computer technology in education are:

- "Penetration" technology (the use of computer-based training: on selected topics, sections, individual teaching tasks).

- "Monotechnology" (when all the training, all the management of the educational process, including all types of diagnostics, monitoring are based on the use of the computer).

With the help of computer technology can be solved the following tasks:

- formation of skills for working with information, development of communication skills;
- striving for the introduction of the individual to the "information society";
- to give everyone as much study material, as they can take;
- to create research skills and ability to make optimal decisions.

"Penetrating" technology by using computer not only helps to ensure the formation of the personality of the learner, but also to develop capabilities to develop skills and willingness to learn, to create conditions for mastering the full range of knowledge and skills.

Learning by "penetration" technology provides possibilities of using multimedia presentation. The presentation enables readability of the method of training, which is very important when preparing lesson in engineering graphics.

When using this technology for some time the attention of the learner is transferred to the computer and the teacher is able to monitor, to capture the behavior of the trainees, as realization of the objective pursued, the active perception of previously obtained knowledge and interest in supplementing the missing knowledge through new sources and independent research. This allows the teacher to control and gradually develop their own activity creative approach to teaching students.

Within the realization of monotechnologies the students are offered to use CAD systems in the performance of graphic work. In this case, each student is in contact with the computer.

The process of modernization of vocational education determines the need for qualitative changes in the system of professional- graphics preparation of university graduates.

With the use of modern computer technologies it is possible to make regular reports on the control of educational activity (by computer testing programs), which allows analyzing the causes of errors, giving students the opportunity for self-control and correction of educational and cognitive activity.

Innovative methods in teaching graphic disciplines to teachers on technology and entrepreneurship are the use of new information technologies, in particular the holding of interactive lectures that support training in the theoretical foundations of graphic disciplines in laboratory exercises including materials for self-study , graphics software encouraging cognitive activity and participation in the development of various types of creative projects that reveal technical and creative abilities of students. Thus held, the training helps the students form a creative experience for the application of graphical tools for receiving, processing and use of information. They gain experience not only to see the problems, but also to make optimal solutions to solve them.

The innovative approach to the preparation of the future teacher of technology and entrepreneurship incorporates innovations designed to ensure the development and improvement of the system of professional graphics preparation. It aims at mastering the professional graphics knowledge and skills through the development of innovative models for organizing the learning process. The solution to this problem will contribute to the purposeful work on formation of professional competencies, ensuring a high quality teacher training in technology and entrepreneurship.

The teacher of Technology and Entrepreneurship, possessing professional competence must freely orient in information-educational space to develop an innovative approach to organization of graphical and technological preparation of learners, ensuring the effectiveness of the use of modern educational technology in teaching. His competency profile should match this qualification to the European Qualifications Framework. Plachkov (2013, p. 1)

The active implementation of innovative approaches and interactive teaching methods contributes significantly to improve student motivation, shaping and equipping them with skills for collaboration and teamwork in the performance of their knowledge in the learning process.

Studies show that the use of ICT can help to increase students' motivation for learning by offering learners more control over the learning process. The use of ICT by students facilitates personal and individual training. Moreover, if ICT is used to assist in absorbing the contents of the course, it undoubtedly will positively affect the overall performance of the student.

Experience in the organization of educational process of professional graphics preparation of students, shows that education in engineering graphics has specific forms and methods of forming this activity.

Modern computer technology offers completely new technological opportunities for training in engineering graphics. To the teacher, the use of modern technology is a tool for training, ensuring the effectiveness of the educational process; instrument of knowledge expanding horizons, providing new opportunities to improve the educational and cognitive activities; means of motivation and personal development, helping to adjust to new developments in scientific and technical progress.

Computer technologies provide new and additional sources of information, new types of visual aids - bright and colorful, a new way of processing information, new forms of testing the knowledge of the students. I believe that information technology should be used so that it can help solve the educational objectives in teaching engineering graphics. Using computers in the training of engineering graphics not only improves students' interest in the subject, but also develops thinking, formation of communication skills and preparation for independent research.

Today there is no need to convince anyone of the need and advisability of introducing information and communication technologies in all areas of the learning process. However, you need to consider the ways and methods of using computers in teaching engineering graphics.

Classes in engineering graphics using innovative technologies help to solve these didactic tasks:

- To acquire basic knowledge on the subject;
- To systematize the acquired knowledge;
- To form habits of self-control;
- To form the motivation to learn engineering graphics.

With the development of ICT technologies we are confronted with different concepts and technologies. For instance: Cloud computing, which provides through its cloud technologies possibility of organizing a WEB-based training. In the WEB - based training are used the corresponding WEB - based technology platforms for training. They are integrated software solutions for e-learning, providing a set of tools for teaching and learning of new knowledge, skills and attitudes which aims to encourage and guide the learning process through the use of computer and connection with Internet. (Tosheva, 2016, p.192) .

In support of the ever - wider application of cloud technologies there has been launched a plan for implementation of the Strategy for the effective deployment of ICT in Education and Science (2014-2020). Phase 1: e-Learning – 2015-2017).

Such is the concept of augmented reality (Augmented Reality) and its marker tool QR code. The construction of augmented reality technology in education creates the premise on which is formed and developed advanced knowledge, skills and competencies. Well organized virtual learning environment is based on the idea - learners to acquire a new, attractive and spectacular sight on teaching content, a prerequisite for effective learning.

The choice to use or not to use QR Codes in technological training comes down to a matter of preference. However, their use can help to involve more students in the learning process as a fast, reliable and convenient method for instant access to educational content. They save time and motivate active learning. Their use in technological education except for being effective, also diversifies the activities of learners and creates greater interest to the discipline. (Pavlova, 2014)

In conclusion, I can say that in order to improve the effectiveness of the learning process are explored innovative changes and additions to the teaching methodology and ways to increase students' motivation. Computer technologies increasingly entering into formal and informal learning, among other pedagogical approaches, are a valuable tool for implementing innovative training strategies. ICT-based teaching methods are contributing to motivate and stimulate the interest and activity of students and thus for - good learning outcomes.

ICT in the learning process will not only diversify the forms of presentation of educational content, but also to implement effective control in its absorption.

The application of a combination of innovative methods and technologies in teaching engineering graphics according to the selected model motivates students, teachers and improves their educational achievements.

Training in interactive mode, significantly increases the activity of students, providing continuous feedback, increasing the responsibility of each student to the learning outcomes, encourages creative solutions, innovative thinking stimulates positive feelings and emotions, reduces fatigue in learning and motivating to learning process.

The active implementation of innovative approaches and interactive teaching methods contributes significantly to improve students' motivation, the formation of skills for collaboration and teamwork in the performance of their knowledge in the learning process.

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SCIENTIFIC APPROACHES Of CHOOSING EFFECTIVE MECHANISM FOR CRISIS MANAGEMENT IN THE ENGINEERING ENTERPRISES FOR USING THE SCENARIO APPROACH

As the global financial crisis and systemic crisis of the national economy for engineering enterprises are characterized by a further decline in key indicators of financial and economic activity. In particular, in 2014 compared to the 2011 rate of profit decline was 74.3%, profitability – 97% loss of engineering enterprises increased by 26.5%. This indicates a deepening internal crisis processes that require the development and application of effective crisis management mechanism, which will be based on the results of a comprehensive preliminary analysis of the dynamics and factors arise. Its application will make it possible for engineering enterprises to accumulate anti-crisis potential, raise the possibility of adapting to the effects of endogenous and exogenous factors of the environment, minimize the consequences of the risks of financial and economic activity.

Based on the analysis and synthesis of theoretical and empirical research peculiarities company management in a crisis, characterized by the ability to cause increased risk probability of bankruptcy and affect the accumulation crisis potential of the company influenced the negative direction of action together social and economic factors. This is its nature necessitates the specification of the economic content of crisis management as a process designed to identify, prevent and eliminate the crisis by implementing the relevant functions at strategic and tactical levels. This allows to distinguish the difference from traditional crisis management and development strategy to focus on dynamic diagnostics crisis based tool management.

In a crisis which characterized by a high degree of uncertainty, one of the most promising approaches to forecasting is scenario analysis. The principal difference between this method of forecasting from others is that it does not use retrospective extrapolation in developing scenarios, that is not considered that the trends observed in the past will be preserved in the future. At the same time study the possible development of the situation and of critical points, the explanation of which can only be in the past. Scenario analysis as a method of forecasting provides a detailed description of the sequence of events that with a certain probability can lead to the desired target or financial condition of the company in different variants of its development [9].

Using scenario analysis as a method of forecasting will, on the one hand, to identify, assess and reduce the level of uncertainty of key factors influencing both the current activities and the development of the company. On the other hand, using scenario analysis can generate and evaluate company strategy, which is especially valuable in an uncertain economic environment.

Requirements for sustainable enterprise development crisis necessitated multiple ground of administrative action. Method of constructing scenarios most closely reflects the current environment where decision making is carried out in constant change, and thus a high level of uncertainty.

Scenario analysis process consists of stages, formalized in figure 3.6.

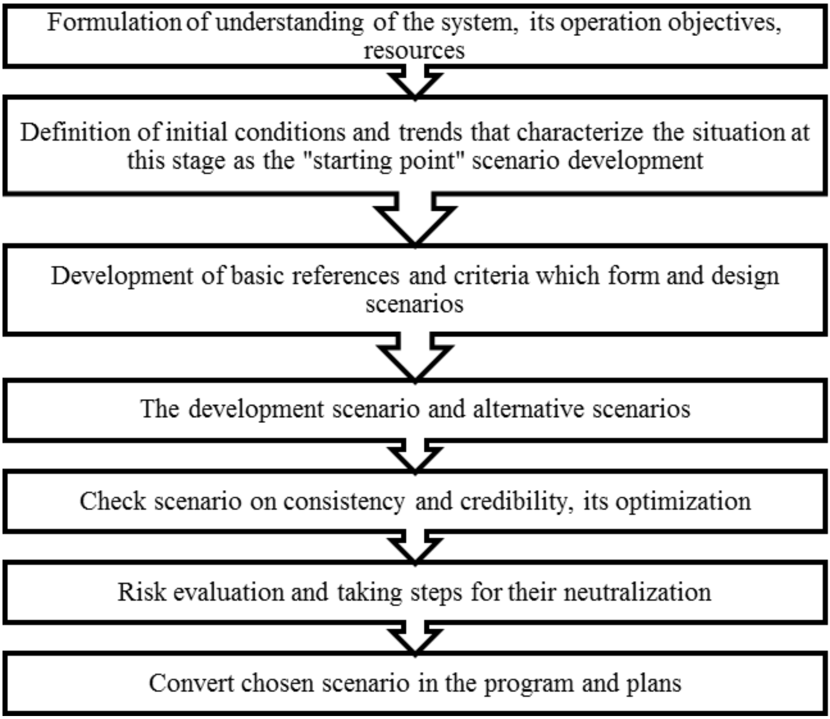


Figure 3.6. Stages of the scenario approach to determine the effectiveness of crisis management at the enterprise

One of the important tools in the process of crisis management is to analyze scenarios - alternative options, which can develop in future events. This analysis is based on an assessment of the construction period and forecast for future periods, during which the company is exposed to certain influence factors and their degree of impact and likelihood of implementation. The presence of various kinds of influence changes of a factor means the existence of several scenarios that differ in probability of an event, so the possible consequences. Most scenarios should be described and defined on the basis of peer review, subjective methods: size (value) - the amount of possible losses; the likelihood of adverse events; duration of the impact factor and more.

For the scenario approach asked to predicting the dynamics of the integral index of the effectiveness of the crisis management, examined three cases - optimistic, realistic and pessimistic scenarios.

Depending on the purpose of the implementation mechanism of crisis management can occur in various forms through safety, stabilization and radical. These mechanisms underlying the scenario approach to selecting recommendations within the system of crisis management in the mechanical engineering.

Accordingly, these theoretical approaches should be noted that the mechanism of crisis management is a set of principles, procedures, methods, tools, instruments and levels of process control prevention, prevention, and overcoming the crisis aimed at developing measures of anti-crisis nature, aimed at preserving the stability of the economic system.

The authors agree with the idea that today it is expedient to provide three basic mechanisms of crisis management and the comprehensive application of the mechanism of crisis management provides a constructive response to changes that threaten the normal functioning of the company.

The mechanism of crisis management at the enterprise level in general proposed that by calculating the integral index of the effectiveness of the crisis management in terms of a balanced system as the basis of the mechanism of crisis management.

Like traditional systems, balanced scorecard contains financial performance as the main criteria for evaluating the performance of the organization, but emphasizes the importance of non-financial indicators that assess the satisfaction of customers and shareholders, the effectiveness of internal business processes, potential employees to ensure long-term functioning of an enterprise [1; 7; 9].

The basis of calculating the integral index entrusted view that quantitative indicators in four groups of balanced system (liquidity, financial stability, business activity and quality management) affect the rate of crisis management company (I_{cmk}), which in turn acts as an indicator of the effectiveness of the crisis management and should statistical relationship with four index components within steps assumptions of multiple regression model (determinant of the correlation matrix is not zero and correlation coefficient of the pair does not exceed $|0,7|$).

Correlation analysis variables used as initial treatment instrument input that is necessary for a functionally independent data. Almost real test data sets is done in terms of pair correlation index $| k | >= 0.7$. The data have a correlation less than k, grouped in four groups to determine in each group endogenous variable – a composite index for which these data have an impact on certain categories.

For estimation of effects on the integral indicator of the effectiveness of the crisis management in the study suggested using Pearson correlation coefficient [6], because the number of variables and equations are known.

Application of standardized indicators, which are divided into four groups of indices and parallel divided by factors impact on stabilizing (optimal value tends to peak) and destabilizing (the optimal value - minimum) to increase the objectivity of the results (table 3.2).

Table 3.2

Allocation balanced system indicators in groups on the basis factors of impact

№	**Indicator**	**Factors of impact**	**optimal value**
1	2	3	4
$I_л$– Index-convolution of indicators group "liquidity" x1-x3;			
x1	coverage ratio	stabilizing	мах
x2	quick ratio	stabilizing	мах
x3	absolute liquidity ratio	stabilizing	мах
$I_{фс}$– Index-convolution of indicators group "financial stability"x4-x 10			
x4	Concentration ratio of equity capital	stabilizing	мах
x5	Concentration ratio of capital raised	destabilizing	min
x6	Financial dependence ratio	destabilizing	min
x7	Maneuverability of equity capital ratio	stabilizing	мах
x8	Коефіцієнт фінансової незалежності	stabilizing	мах
x9	Provide own funds ratio	stabilizing	мах
x10	Investment rate	destabilizing	min
$I_{да}$– Index-convolution of indicators group "Business activity" x11-x 17			
x11	Turnover of current assets ratio	stabilizing	мах
x12	Accounts receivable turnover ratio	stabilizing	мах
x13	Load factor of current assets	stabilizing	мах
x14	Inventory turnover ratio	stabilizing	мах
x15	Return on assets, %	stabilizing	мах
x16	Return on equity, %	stabilizing	мах
x17	Return on sales, %	stabilizing	мах
$I_{ям}$– Index-convolution of indicators group "Quality Management"x18-x24			
x18	lack of interest	destabilizing	min

table 3.2 (continued)

1	2	3	4
x19	Number of guarantee applications	destabilizing	min
x20	Payment of fines and penalties, lawsuits to third parties, thous. UAH.	destabilizing	min
x21	The number of days of unpaid wages on time, days	destabilizing	min
x22	number of suppliers	stabilizing	мах
x23	Number of days idle of the enterprise	destabilizing	min
x24	Turnover, %	destabilizing	min

Rationing matrix elements held by the formula:

$$P_i = X_i/X_{ic} \qquad (3.1)$$

where, Pi – normalized rate of enterprise and the partial indicator,

Xi – partial index of the enterprise,

X_{ic} – average value for the group of partial indicators for a specified period.

This structure enables $У_p=I_{cmkp}$ regression on the given data model and thus the impact of the characteristics constructed an econometric model to index endogenous to optimize the performance level in groups of influence

In calculating the integral index of effectiveness crisis management mechanism has been suggested that all four components Iakup (I_l - index liquidity, I_{fs} - index of financial stability, I_{ba} - an index of business activity, I_{mq} - index management quality) have different impact. To confirm the assumptions used experimental evaluation using Kendall concordance [4] to verify the objectivity of the data. As a result, we have the following weights: $К_l$ = 0,323; $К_{fs}$=0,278; $К_{ba}$=0,139; $К_{mq}$=0,26. Ideally integral indicator value is 1, so comparing it with other enterprise can calculate the value of the effectiveness of the crisis management.

During the development of the integral index Iaку attracted the tools and methods of mathematical tools and statistics.

Ranking and correlation analysis of the variables used to identify a list of statistical indicators and the actual selection of inputs. Regression analysis variables provided the necessary accuracy and sensitivity of the simulation model [2].

Adequacy of sample for factor analysis can be checked using the test Kaiser-Meyer-Olkina (KMO), also known as a "measure of sampling adequacy" [3].

Results for Bartlett sphericity test confirmed the idea that the original data set is suitable for factor analysis. Application of the methods of rotation for a better allocation of factors and increased load factor components of these factors [8].

Based on the returned matrix component was obtained matrix coefficients of indicators assessments within the group that became the basis for selecting the mechanism of crisis management tools.

The weights were obtained by calculating the total variance. For each group, according to the proposed methods of evaluating the effectiveness of the crisis management was done convolution index (index-convolution of "liquidity" Index-convolution of "Financial stability", Index-convolution of "Business activity" Index-convolution of "Quality Management").

According to the assumptions made and limitations specified integral indicator of the effectiveness of the crisis management takes the form [9]:

$$I_{cmkp} = 0{,}323\ I_{l} + 0{,}278 I_{fs} + 0{,}139 I_{ba} + 0{,}26 I_{mq.} \qquad (3.2)$$

To select the scenario, based on the tools of crisis management, adequate state of crisis in companies proposed interpretation of the limits of the integral index of the effectiveness of the crisis management.

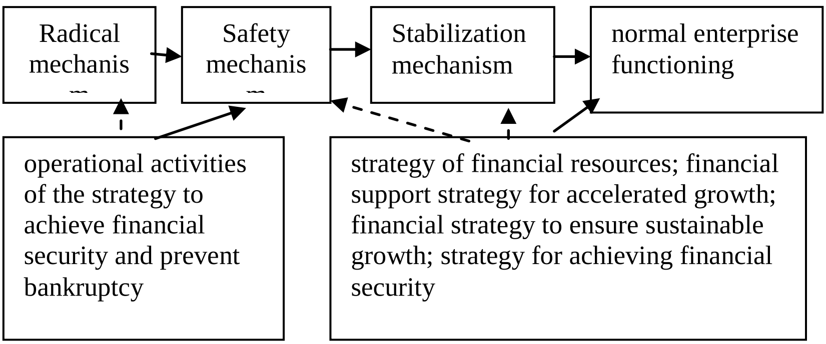
In particular, within [0-0,3] recommended preventive tools (support investment in production processes, motivation shareholders feasibility study investment projects solvency by monitoring the calculations buyers, optimization of production costs, review of financial management, the formation accumulation of reserve funds financing the necessary growth of current and non-current assets to secure high growth in output, monitoring the dynamics of short-term liabilities, increasing its own funds by issuing shares or investment attraction;)

within (0,3-0,6] – stabilization tools (balancing methods of raising funds to minimize risks and ensure the expansion of sales, selection of investment projects payback corresponding to the market growth, the management of accounts receivable and accounts payable, limiting the growth of volumes short-term liabilities compared to the long term, increase efficiency of current production activity, increasing the share of equity working capital, solvency by monitoring the calculations buyers, optimization of production costs, review of financial management, the formation of reserve accumulation funds, the choice of flexible methods of updating assets , reducing the benefits provided with income; optimize the structure of assets, achieving high intensity of use, diversification of suppliers, increased usage of resources, optimization of pricing policy, restructuring the portfolio of short-term loans in the transfer of their long-term);

within (0,6-1] – tools radical (saving investment resources by selecting promising business projects and conservation of capital, financial risk insurance covering equity deficit, achieving rhythm cash flow, limiting the growth of current liabilities, increasing the share of liquid quickly assets, savings, reduction and strict control of current expenditures, maintenance capital use efficiency, reducing the benefits of income; measures of debt recovery, reducing the volume of financial transactions in the most risky areas of activity, losses, preventing their accumulation, realization of unused assets ; extension of financial liabilities, the elimination of short-term investments portfolio, implementing anti-crisis rehabilitation and restructuring) [8].

Considering the depth of the crisis at the enterprise, it is necessary to choose the decisive strategy aimed at achieving the main goal – to normal operation. If a company is in crisis debt solvency (bankrupt), you must apply anti-crisis measures within the strategies of radical mechanism.

Choosing the best mechanism for crisis management in engineering enterprises take into account the proposed mechanism for gradual output of the enterprise from the state of crisis (fig. 3.7).



Figidure 3.7. The flowchart a phased output of the enterprise from a crisis state

Assuming their effective use enterprise moves to implement preventive mechanism, if ineffective – it is necessary review the measures or proceed to liquidation procedures.

As in the previous stage, if effective use – the transition to stabilization mechanism or a radical. So there is a mechanism of crisis management and implemented in response to the crisis is a need to implement the functions of crisis management.

An effective mechanism out of the crisis are now adopting anti-crisis program to normalized activity of enterprises and ensure the profitability and competitiveness of enterprises in the long term.

It should be noted that any successful program will be recognized only if obtained in the process of implementing the results are as close as possible to the target. Because life support script should contain as a mandatory component of the operational phase of the task, providing practical integrity and completeness of the strategic plan.

Proceeding from the above it can be argued that the use of various types of crisis scenario proposed process will allow them to not only maintain an appropriate level of sustainability, but also provide high competitiveness in the future.

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MOTIVATION APPROACHES DEVELOPMENT: NEW WAYS FOR UKRAINIAN MANAGERS

The article offers refined classification of different ways for personnel motivation, that gives an opportunity to sum up characteristics of formation new social values and motivation marks in Knowledge-based economy, which modify individuals' behavior and their socially determined groups.

Because of weak socio-economic prospects, public policy poor predictability, statistics opacity, external liquidity deficit with currency risks maximization in most socio-economic systems of all ownership forms and business spheres the strategic management conceptions do not act effectively. The strategic monitoring system is not satisfactory as well and information in the context of management is not considered as IV factor of production. So far as because of the current bifurcation and turbulent nature of environment development the conditions of business management come close to military ones (ideological inspirer Stockholm School of Economics), the lion's share of ideas in the sphere of strategic management was formed at the times of «information symmetry», which assume that relatively all market players have the same information about the state of the environment. This was the main premise when the strategy of sustainable development in the world was forming. Today, however, instead of practising the development strategy Ukraine is practising the opposite strategy of survival. From the country with a strong research and manufacture base in the 1990s, Ukraine turned into an agricultural supplement of Europe. Avoiding the competition from Ukrainian workers most developed countries deliberately assign Ukraine the role of an «agricultural corner», endowed with humus and minerals. Government inaction automatically switches the country from the development strategy to a survival one, which chooses the model of cheap products instead of high-quality and high-tech ones. To provide the competitiveness of Ukraine managers of all ownership forms and business spheres have to facilitate the transition to the model of high-quality products (innovation model), which offers high prices not only for goods and services but for workforce too. The only way for Ukraine to avoid the phenomenon, called by S. Vovkanych as the «brain ebb» [1, p. 42] is to convince the workers not to go abroad. Moreover, when the workforce will be expensive, the management of modern Ukrainian companies will stimulate themselves to implement new and advanced technologies including in the sphere of intellectual resources management, because when the number of non-skilled workforce increases, the implementation of new technologies is not economically viable. Thus, the investments in an innovative economic model and as a result in technological and human capitals are relevant.

Remember the fact that earth, labour and capital compose classical economics. The art of entrepreneurship has always been considered a sort of 'management alchemy', that is the use of these traditional resources in a certain combination. Since a new economy has fixed against the backdrop of total wars for various resources of all kinds and types, this is the workforce, as the carrier of the intelligence which is able to replace one resource with the other, will play even more important role for modern socio-economic systems then before. As human resource, namely the intelligence (which still appears in scientific literature as IV factor of production), is crucial for making the competitive advantages in informational economy, most global companies have already reconsidered their HR strategies. A significant reduction of the production capacity in the countries with expensive workforce and its transfer to the countries with cheaper workforce is observed. Most labour tasks and functions the standard prices on which are unacceptably high at the market are automatic today. For products development and manufacture both the transfer of the part of business functions to the transnational affiliates and other people (outsourcing) and the intensive move of the workplaces to other countries (offshoring) are used. Together with the technologies development these tendencies are the reason for qualitative changes in labour migration. As the intellectual component of work under the conditions of globalisation is rapidly increasing, a lot of companies impose strict requirements for their employees. All this, oddly enough, provides the prospects for every market participant, however not all the companies use them. For better understanding of the above said, the development of economic relations in the context of global economy movement towards the intellectualization can be seen in table 3.3, which in general demonstrates the economic progress in the context of technical, technological and cultural achievements of the humankind.

Table 3.3

The Ways of Postindustrial Economy Evolution

Historical periods	Primitive society	Ancient world (to 476)	Middle Ages (476 — the end of the XV century)	Early modern period (the end of the XV century — 1918)	Contemporary history (from 1918)
Economic organization	Hunters and gatherers		Agrarian society (to 1800)	Agrarian → Industrial society (from 1800 — 1960)	Postindustrial society (after 1960)
Economy type	—		**Agrarian economy**	**Industrial economy**	**Postindustrial economy** Shows up as: (1) Knowledge-based economy (Informational/ Intellectual economy) (2) Experience economy (The era of creative intensification) (3) Service economy (Sharing economy or Collaborative consumption)

Economies evolution looks like this: «Agrarian economy → Industrial economy → Postindustrial economy → Knowledge economy → Creative intensification economy / Sharing economy — ?». An ideological inspirer of the Era of creative intensification is Dr. Murakami Teruyasu from Nomura Research Institute [2], who believes that it will change the era of information technology. His idea is confirmed by the increasing part of the emotional intellect usage in general structure of administrative and productive labour. While the employee's information technology talent can be «provided» by a certain quantity of specialized knowledge, which are necessary for information product or service creation, the advertising industry, PR and other derivative «branches» of management today will require from the employee fast and unceasing ideas generation.

Here we come up to the new economy type – «experience economy», which means that goods and services are not just consumed but also help a person to consume their status, satisfaction, hope, dreams etc. The ideologists of the new experience epoch in economic relations are Joseph Pine and James Gilmore [3] (see Table 2), who believe that modern world is increasingly being guided by emotions. With each passing year the domination of the role of the creative work over the mechanistic approaches of industrial economy becomes obvious. The fact that we live in the experience economy era and that the industries of the future will be creative ones is confirmed by the fact that the modern consumer is becoming more and more experienced in choosing goods and services which means that he or she is more difficult to attract. Such situation demands from the goods and services sellers more creativity, bright ideas and feelings which a consumer will receive together with the product itself. Based on the references [3] table 3.4 shows the global economy types evolution in the direction of the «economy of a show».

Together with «experience economy» the sharing economy (eng. to share – to have or use something with other people), which is built on the conception of the collaborative/collective consumption of goods and services, is becoming to function these days. The authors of this conception are Rachel Botsman and Roo Rogers who speaking about labour [5] incline to use a new socio-economic model of collaborative consumption, which is based on the payment for temporal access to welfare.

Today this model is widely spread not only in the United States of America but in European countries too. Its representatives are such projects as the system of travelling exchange Airbnb and the marketplaces like TaskRabbit, ParkatmyHouse, Zimride, Swap.com, Zilok, Bartercard and thredUP.

Apparently, in postindustrial society the intellectual resources, expressed via the spheres of services and experiences, become vitally important for knowledge economy.

Table 3.4

Economy Types by Joseph Pine [3; 4]

Economy type	Agrarian	Industrial	Service economy	Experience economy
Economic function	To extract	To make	To deliver	To stage
Nature of offering	Fungible	Tangible	Intangible	Memorable
Seller	Trader	Manufacturer	Provider	Stager
Buyer	Market	User	Client	Guest
Factors of demand	Characteris-tics	Features	Benefits	Sensations
Product characteris-tics	Meeting the basic physio-logical needs	Meeting the needs of movement, comfort creation, life pace speeding up	Meeting the needs of knowledge about the world, information on events, communication, education	Meeting the needs of thrills, interesting events, sense of superiority

Accordingly, the main resource of modern economic period is knowledge, information and also a group of people and a person's intellectual abilities, which quality and intensity of use determinates the competitive advantage of modern socio-economic system. The main task here is the motivation of Ukrainian companies and organizations' personnel that to a great extent continues to remain a product of industrial economy. This requires the identification and the study of opportunities, methods, technologies and tools of more dynamic adaptation of both the managing and the executive staff of the company's human resources, which are represented by different age groups, to the demands of knowledge economy. The solution of this issue means the possibility of a harmonic combination by modern companies and their managers both the collective and personal interests, opportunities, abilities, knowledge, skills and experience of the key players in an organisational space, i.e. human resources. The stimulation of the creative employees just with money will not give the desired results because in the hierarchy of such employees' needs material motivation is far from the first place. Thus, the management momentum should be removed from the field of «micromanagement» and transferred into the sphere of the collaborative atmosphere, which will motivate and create preconditions for the conversion of the creative energy into new goods and services. To build such atmosphere the study [6] offers the method of a group-team building, which equally suits the representatives of all generations. This, in its turn, will allow making a complex evaluation of every participant and will further give the last one an opportunity to develop creativity, systemic thinking, communication, skills to deal with information and the ability to build harmonic relations in collectives.

The problem of human resources work proper motivation in the conditions of modern Ukrainian realities was, is and will remain a very important one. Despite the fact that today the financial incentives in the social mentality are continuing to play a crucial role, the national economy gradual and steady transition to the methods and the technologies of the market economy with the necessity of the coordinated movement, with the countries of the world community in the direction of the postindustrial economy basis formation and the knowledge economy development, dictates the expediency and the need for a large-scale implementation of the innovative methods, technologies and motivation tools, including the intellectual work motivation, which are adequate for the above mentioned requirements, into Ukrainian organisations management practice.

It is obvious that for a long time the usage of the theoretical and practical theses of the effective motivation of the personnel from various socio-economic systems was realized on the basis of the world's leading schools of management developments. This is indicated by publications in the professional literature of Great Britain, Canada, Germany, the USA, France, Japan and other countries. The accumulated experience of these schools is presented in numerous scientific studies and publications, the quantity and themes of which are too difficult to analyse and generalise today. Unfortunately, the Soviet School of Management took a passive part in this process which means that in most cases the technologies of influencing people based on class motivation, constraint and punishment ideology were the major ones in the leaders' arsenal [7].

The first example of the management motivational influence on a personality and groups should be considered the concept of «model motivation». This point of view was first expressed by Christian Scholz [8], who determined a specific «picture», «image» or «model» of a person as a worker to be the goal which one should aspire to. To this group he refers the known at their times Douglas McGregor's «X–Y theory», William Ouchi's «Z» theory and George Elton Mayo's theory of human relations. Let us pay attention to the fact that before the appearance of modern motivational models the history of management thought also knew other «behaviour models». Among them the typical examples are «Curse from Mount Eval» [9, p. 209–210], «Ten Commandments of God» [9, p. 77-78] and similar to them lists of other religious teachings of the world.

It is obvious that for a long time the «model motivation» was the main tool of the people's behaviour regulation in the society and that it preceded the appearance of substantial and procedural motivation theories, the formation of which, however, did not deny but counted and used its advantages. The further development of the theoretical bases of the organisations' personnel motivation led to the appearance of new approaches and models. In general, they can be called the organisations' personnel «systemic motivation». The reason for such a statement is the appearance in Ukraine of the studies of the formation and improvement of «motivation systems» in organisations [10], the usage of a systemic approach to the motivational processes management [11].

The category of «systemic motivation» is uniting in a single management system the desired for the group, division, company (that is the society in general) workers' behaviour by the management organ setting the target «model» of behaviour and forming socially normalized «needs», a complex of «motives» and «motivators», the influence of which is regulated by the administration [11]. Combining the advantages of all the previous theories and models, the systemic management of motivation processes is characterised by high functionality, flexibility the opportunity of results evaluation and motivational influence effectiveness with the fast goals and motivation programmes correction. That is why the systemic approach to the management of the personnel motivational processes in the light of the tasks of the motivation of people in the modern globalized, intellectualized and democratized society has the most potential as for its usage. Such potential presupposes the possibility of the managed usage of the complex of fixed and variable motives by the subject of motivation (for example, the manager) in order to influence the object of motivation (a worker, a group of workers, etc.) with the opportunity to control and evaluate the results of motivation [12].

The specified by us variant of the classification of the theories of the organisations' personnel motivation is demonstrated below, where it is obvious that in the process of special motivators complex development (a programme or a strategy) the management of an organisation takes into consideration both the necessary behaviour models, different physiological, material, moral and spiritual needs and expectations of the personnel, the criteria of fairness and the goals of the personnel and the organization:

1) «MODEL MOTIVATION» («The Commandments of God»; «Behaviour codes»; «Behaviour models»; E. Mayo's Human relation theory; D. McGregor's «X–Y» theory; W. Ouchi's «Z» theory.

2) «MOTIVATION OF NEEDS» (A. Maslow's Hierarchy of needs; C. Alderfer's ERG theory of relations and growth; F. Herzberg's Two-factor theory; D. McClelland's Theory of achieved needs).

3) «PROCEDURAL MOTIVATION» (K. Levin's Expectation theory; B. F. Skinner's Behaviour modification (reinforcement) theory; V. Vroom's Advantages and expectancy theory; L. Porter and E. Lawrel's Fairness theory; J. Atkinson's Model of the risk choice; E. Locke's Goal-setting theory.

4) «SYSTEMIC MOTIVATION» / «COLLABORATIVE MOTIVATION» (M. Mazur's Motivation system; V. Marchenko's Motivational systems; Systemic approach to motivation function by N. Nyzhnyk, O. Mashkova, S. Mosova; M. Tabakharniuk's Systemic motivation management) «Manhill conception» (as «human anthill») via holacracy theory application.

In the process of realization, they can change dynamically and purposefully depending on the results obtained by an organization. Accordingly, there appears quite a reasonable necessity of the studies and the evaluation of the peculiarities of the formation of new social values and motivational benchmarks of knowledge economy which change the personality's behaviour and their socially determined groups in the organisations. This is explained by the fact that the process of the formation of new social directives and mentality, new categories and types of personal and group needs, new motivational benchmarks and criteria and consequently the formation of the behaviour motives is continuing and the theory and practice of Ukrainian management still have to find the adequate answers to these questions.

Though being studied by many scientists the peculiarities of work behaviour motivation in the conditions of knowledge economy, with all the positive results got, they, however, cannot be used in Ukraine because the economy developed in an evolution way cannot be compared with the situation when knowledge economy is forming in a country with sufficient rudiments of industrial and autocratic traditions.

Systemic motivation, which should also include the motivation of the workers who do the intellectual job in the conditions of knowledge economy establishment and development in a country with enough tenacious traditions of paternalism, autocracy and legal nihilism, is a social problem the solution of which within each separate company is critically important issue for its survival. That is why the task of searching and the formation of innovative management technologies of Ukrainian companies' personnel motivation, which would unite advantages and eliminate disadvantages of the traditional technologies, is with no doubt a burning, important and scientifically justified problem the solution of which will allow to intensify the processes of the innovative development of companies, industries and the whole national economy of Ukraine.

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Chapter 4

FORMING EFFECTIVE SOCIAL POLICY, SOCIAL PROTECTION AND SOCIAL SECURITY

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ECONOMIC EASTERN COOPERATION OF UKRAINE: ASPECTS OF STATE MANAGEMENT

Actuality. Ukraine, as a state which is dependent on fuel and energy resources should be oriented on the economic cooperation with the countries of the East. The most attractive nowadays is Azerbaijan. Azerbaijan, as a country with deep traditions and high level of economic development, is strategic partner of Ukraine in many aspects of social-economic development. It is especially close in modern circumstances as it, as Ukraine, overcame difficult arms conflict in the Nagirny Karabakh. As economically developed country, Azerbaijan rapidly started to develop in the last two decades. The experience of Azerbaijan in its stable economic development can be useful for Ukraine. That is why the topic of the investigation is rather actual.

The problem of economic cooperation has been concerned by number of economists, political scientists, politicians and officials. These have been such specialists, as: I. Antonenko, T. Vakhnenko, O. Vekhlych, N. Bidnyk, R. Korsak, M. Lubas, N. Savina, L. Pobochenko and many others. But mostly they concern cooperation with international financial organizations of The European Union. At the same time the question of western partnership remains outside the investigators' attention.

The purpose of the article is analyzing and investigating of the results of modern politics of Azerbaijan in economics. In particular, functioning of the system of economic governmental management, protection and rational use of fuel and energy resources of this country, its work and task discharge, discovering of the main forms and directions of state regulation of economics which need to be powered and improved and possess the development of the mechanisms of their realization and creation of the new mechanisms which shall correspond the modern level of the economic development of the country and the whole world.

In this work the analysis of the modern system of governmental management of Azerbaijan has been conducted, the factors which influence its forming have been investigated and the most important of them have been discovered aiming to coordinate state economic politics for the further perspective.

Object of the investigation is the system of state management of economic development in general, which consists of the managing subjects – institutions of state executive power and institutions of local governing; and managing objects – the main components of economic development and the main branches of economics of Azerbaijan.

The subject of the investigation is the process of stimulating of Azerbaijan economic development on the basis of the improving the system of state management in this country. Actuality of the topic determined its purpose, the subject and the object. The investigation has been conducted on the basis of the system-defined approach.

Due to its constitution, Azerbaijan is a unitary state which is divided into 61 administrative-territorial regions. It consists: Nakhichevan autonomous republic. The constitution proclaims Azerbaijan the democratic, jural state. Form of government – presidential republic of eastern type, political regime is moderate-authoritarian.

In the process of investigation, the analysis of the economic development of Azerbaijan has been conducted. The legislative authority in Azerbaijan is executed by the secular single-chamber parliament – Milli Mejalis which consists 125 deputies. The deputies of Milli Mejalis are selected on the basics of majority and proportion election systems and by general, equal and straight elections. The term of their authorities is 5 years. At the same time the laws of presidential and parliament elections and also of referendums are taken by the majority of 83 votes, and which concern other questions – by 63 votes.

The main sector of Azerbaijan economics is oil and gas complex, the part of which is 58% of IVP. Oil and gas take the main place in the structure of the fuel industry. Oil products are imported in the huge quantity. The explored reserves of gas in Azerbaijan compose about 1,5 trillions of cubometers of gas. The most popular repository is 'Shakh-Deniz' with its reserves more than 1,2 trillions of cubical meters. At the same time until 2007 the country extracted only 28 milliards of cubical meters.

The second important sector of Azerbaijan economics is agriculture. Argricultural land take 46% of the general state area (about 50% of them are pastures). They raise cereals, technical (cotton, tobacco), subtropical cultures (garnet, tea, citrus, persimmon), grapes. The natural silk is also manufactured here.

Azerbaijan has a developed transport infrastructure. Mainly developed is railway, automobile, pipeline transport. In general, Baku is the main dock city and a transfer point for oil, oil products, and wood. The main cities of Azerbaijan are connected with Baku and with each other. The international airport functions in Baku.

The quantity of population of Azerbaijan constantly grows. As the investigation demonstrates, the population is multi-national. General number of population is 9 million 164 thousand 600 people. Azerbaijan people are 95% of all. Due to statistics, in 2015 children and teenagers in age till 15 formed 32% of population, the group of economical active people (men aging 16-62, women aging 16-57) – 59%, people of pensionary age – 9%. 51% of the population lives in towns, and more than a half are concentrated in Big Baku and Sumgaiti.

In this work the comparative analysis of the main economic, demographic indexes of Ukraine, Azerbaijan has been done and showed that Azerbaijan has a positive annual increase of population, at the same time as in Ukraine this index is negative. So while the quantity of population of Ukraine is 4 times more, the state debt is 10 times more than of Azerbaijan.

Table 4.1

The comparative analysis of the main economic, demographic indexes of Ukraine and Azerbaijan

№	Index	Azerbaijan	Ukraine
1.	General area, ths. Sq. km	86,6	603,7
2.	Population, mln people	9,164	45,1
3.	Annual natality, %	0,846	-0,622%
4.	IVP by parity of purchasing power, milliard dol.	90,8	305,2
5.	IVP per capita, thousand dollars	10,9	6,7
6.	Urbanization ,%	52	69
7.	Part in IVP:		
	- Agroindustrial complex	5,2	9,4
	- industry	60	33,6
	- services	34,8	57
8.	Unemployment, %	0,9	8,1
9.	State debt, % IVP	4,6	40,1
10.	Index of consumer prices, %	5,7	9,4

In the structure of Azerbaijan IVP the biggest part takes agricultural complex (60%), and in Ukrainian – services (57%). By index of IVP per capita prevails Azerbaijan (near 11 thousand American dollars), at the same time in Ukraine it is 6,7 thousand dollars per 1 resident per year.

In Azerbaijan the questions of economic development, financing of actions concerning strategic problems and actions conducts the Ministry of finances of Azerbaijan. This body is central in the system of state management and has a lot of authorities in the economic sphere. A big quantity of state agencies which concern the questions of economic development functions in the structure of the Ministry of finances. Particularly, it is the State service of control under the precious metals, Agency of the external debt management, Service of state insurance supervision, State treasury agency, Service of financial control and others. All the regions of Azerbaijan have separated departments of The Ministry of finances.

The trading-economic cooperation between Ukraine and Azerbaijan was established. Particularly, in 2015 Azerbaijan republic took the 5-th place between the countries of CIS by trading extent (after Russian Federation, Belarus, Kazakhstan and Moldova). The export extent of Azerbaijan also has a tendency to grow. In 2015 general outer-trading circulation between Ukraine and Azerbaijan (goods and services) was 390,2 mln dollars of America or 42,2% more in comparison with 2014.

Table 4.2

The dynamics of outer trading of goods and services in Azerbaijan (by data of State Statisctics of Ukraine, mln dol. USA)

Index	2012	%	2013	%	2014	%	2015	%
Trade	903,8	-35,3	979,0	8,3	675,3	-31,1	390,2	-42,2
Export	806,4	9,3	892,4	10,7	623,35	-30,3	349,8	-43,9
Import	97,4	-85,2	86,6	-11,1	52,0	-40,7	40,4	-22,3
Debit balance	709,0	–	805,8	–	571,3	–	309,4	–

Table 4.3

The dynamics of incoming Azerbaijan investments into Ukrainian economics (by data of State Statisctics of Ukraine, mln dol.)

Year	2010	2011	2012	2013	2014	.2015
Accumulated extent	31,7	45,6	56,9	308,1	167,8	211,9
Annual increase	11,4	13,9	11,3	251,2	- 140,3	+ 45,1

Export of goods and services in 2015 was 349,8 mil dollars of USA and decreased in comparison with 2014 for 273,5 mil dollars of USA or 43,9%. In this period import was 40,4 mil dollars of USA which was 11,6 mil dollars USA or 22,3% less, in comparison with the same period in 2014. Positive debit balance for Ukraine remained at the level of 309,4 mil dollars of USA. In 2015 the main export assets to Azerbaijan were the next: ferrous metals (shortened for 73,9%) and products of ferrous metals (shortened for 34,2%) – together 25,8%; tobacco and industrial tobacco substitutes 14,4 % (delivery extents shortened for 29,3 %); paper and cardboard – 4,9 % (shortened for 34,8%); sugar and confectionery sugar products – 4,5% (shortened for 23,9%); products of grain – 4,5% (shortened for 37,1%); wood and wood products – 4,4 % (shortened for 50,2%).

Azerbaijan is divided into 10 economic zones (regions), which determine their economic development:

- Apsheron;
- Giandja-Kazakh;
- Sheki-Zakatala;
- Lenkoran;
- Kuba-Khachmaz;

- Peredgirna;
- Verhnii Karabakh;
- Kelbadjar-Lachin;
- Mountain Shyrvani;
- Nachichevan.

During the whole 2015 the main import assets from Azerbaijan were the next: mineral fuel; oil and products – 28% (delivery extents shortened for 29,6 %); plastic, polymeric goods – 25,6 % (shortened for 48,5%); goods, purchased in ports – 15,5 % (increased for 20%); edible fruits and nuts – 7,4 % (shortened for 21%); organic chemical links – 7,2 % (increased for 51,2%).

During 2015 the trading extent was 41,15 mil dollars USA and increased for 4,1%, at the same time export of services from Ukraine to Azerbaijan was 31,0 mil dollars USA and shortened for 3,2%, import of Azerbaijan services to Ukraine was 10,15 mil dollars USA and increased for 46,8%. Positive debit balance for Ukraine during this period was 20,85 mil dollars USA.

By data of State Statistics Service of Ukraine, in 2014 general outer trading turnover between Ukraine and Azerbaijan (goods and services) was 675,3 mil dollars USA and decreased in comparison with 2013 for 305 mil dollars USA or 31,1. At the same time export was 623,3 mil dollars USA (decrease to 270,4 mil dollars USA or 30,3%). Import was 52 mil dollars USA (decrease to 34,6 mil dollars USA or 40%). Positive debit balance for Ukraine was 571,3 million dollars USA.

The asset of foreign investments to Azerbaijan stable growths in the last years.

The conducted investigation of estimation of Azerbaijan economics competitive ability by the main indexes in this paper allowed to form the priority directions (strong sides) of economic development. The results testify that Azerbaijan positively differences by its macro-economic stability, the health protection system and the effectiveness of labor-market. That is why Azerbaijan is so particularly interesting for Ukraine in the aspect of economic partnership.

The important tool of financial stream state management of Azerbaijan is budget system which consists of the budgets on different levels and the budget of autonomous republic Nachichevan.

Gas complex may become powerful lever of economical and political influence of Azerbaijan in Ukraine and in the world. This needs the questions of oil fund money use (for oil and gas repository) to be solved.

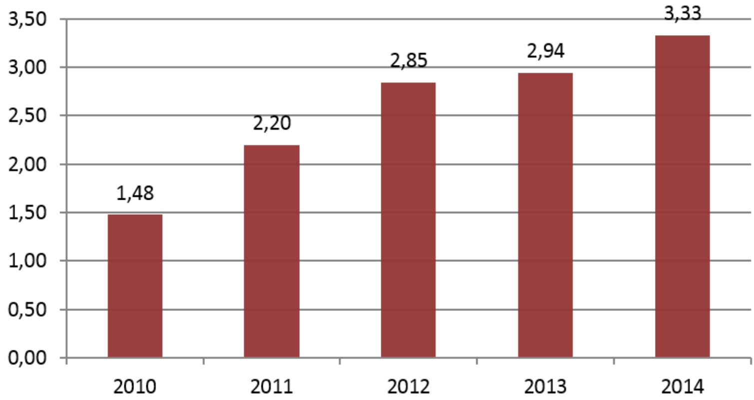

Figure 4.1. General outer trading between Ukraine and Azerbaijan

In this work the complex of actions to regulate the economy by state authority was substantiated. This complex includes tax regulation, the improvement of the banking system work, orientation of the production on goods and services. In spite of this, in this work the economic effects of these actions were calculated. Especially as Azerbaijan government took the direction on the removal of the dependence of economics from oil and gas complex, the adequate choice is to change economic model of production to the direction of goods and services. Modernization of the banking system, changes in the priorities of credits will help to change the structure of IVP. The awaited affect of these actions shall be such: in 2017 the IVP will increase to 1,4 %, till 2018 – at 2,3%, 2019 – at 2,9 %, 2020 – 2,5 %. Realization of these actions proposes the creation of the Financial Stability Board, the authorities of which will embrace the control at financial-exchange system and Azerbaijan credit politics.

Introduction of rental tax and leaving the practice of the contract establishment of special payments in the contracts shall increase the arrival of money to the budget. And, using an example of the developed countries, such as USA, we propose to introduce tax discount on the wasting of entrails which will look like exemption from taxing of some percentage of the fixed enterprise income.

We consider that implantation of the worked out complex of actions of the economic state regulation will allow to improve the conditions and stimulate Azerbaijan economic development. To sum up the results of Ukrainian-Azerbaijan relations of the modern times, we emphasis that two-side cooperation really became closer to the possible at these historic conditions level of good neighborhood, friendship and mutually beneficial interaction.

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SOCIAL POLICY EFFECTIVENESS IN CONTEXT OF NEEDS OF HUMAN RESOURCES SUSTAINABLE REPRODUCTION

In the modern world consecutive economic globalisation, transnational organization of its resource base, unification and increase of consumption standards and quality criteria of living are coupled with gradual depletion of the natural resources that are most in-demand by industrial and neoindustrial economies, rapid regionally unsteady increase in world population, geoclimatic changes. These trends more and more actualizing problems of sustainable development of the national socio-economic systems aimed at optimization of its competitive ability, investment, business and socio-political ratings among countries of the world. Sustainable development strategy (as a system activity, destined to balance the relationship between society on the whole, its economic subsystem and environment with the purpose of preservation and maintenance of acceptable living quality of human civilization) contains a powerful socio-humanitarian component, represented by the processes of reproduction of the population itself, its productive forces and creative potential, social institutions, which regulate and adjust natural and human-made living environment.

Principles of the welfare state (in particular: provision of the individual welfare under conditions of market economy based on comprehensive implementation of labour and creative potential; maintenance of public solidarity and consensus) require state policy, balanced by social and economic expenses and results which are recognized as appropriate in terms of sustainable competitive functioning of a state and its regions in the globalized world. Significance of the social policy which is destined to optimize influence of the state on creation of general conditions of social reproduction (through the maintenance of socially necessary level and quality of population living, cooperation and partnership of its various stratums and groups) determines social orientation of the economy of increasingly wide range of world countries.

Therefore, effective social policy (as a component of the entire system of state management and local self-government measures for sustainable socio-economic development of the country, including on terms of sustainable reproduction and rise of human resources capitalisation performance) combines:

– reasonability of the totality of social guarantees and standards in terms of needs for reproduction of modern technological mode of economy and implementation of innovative factors of balanced progress of its constituents, functional and territorial subsystems;

– coordination of social expenditures range with aggregate resource potential of budgets of various levels, relevant government and non-government funds, while population expenditures for socially necessary living and socio-cultural goods and services – with its effectual demand, supplemented by a potential of life support insurance systems and financial sector of mortgage and consumer crediting;

– implementation of: 1) programs for provision of common public needs, connected with reproduction and capitalization of human resources; 2) a complex of programs for provision of equal starting conditions of life, social mobility, productive employment, resolution of contentious issues of human and socio-economic development (in particular, integration and adaptation of vulnerable and marginal groups); 3) point-to-point achievement strategies of worthy level and quality of population living.

A weighty role in identifying of tasks and performance evaluation of the social policy is played by structuring of public needs considering their designation in order to arrange living and implementation of values (public ideals, standards as a basis of formation and regulation of: value orientations of a person in the course of his/her socialization; societal purposes, intentions of social groups, ways and means of their achievement [1, p. 87, 112; 2, p. 380–382]). In accordance with historically elaborated mechanisms of needs satisfaction in socium we can distinguish in a generalized sense:

– public needs (comprises: common public needs, implementation of which provides integrity and legality of functioning of state and its institutes within determined borders; socially necessary needs, justified by political and economic feasibility in context of reproduction of the technological mode, effectiveness maintenance of state economic complex and strengthening of factors of its competitive ability, including those stipulated by social stability and solidarity);

– private needs (according to the theory of welfare state, they diversify spheres and kinds of living of ordinary individual / community, improve its quality and satisfy above valid legislative guarantees of social protection, as determined by social status, priorities scale, life and professional experience etc.).

Socio-humanitarian potential is worth considering as a collection of reproductive and productive characteristics of human communities of different functional and territorial status, as well as peculiarities of organization and functional results of a range of social institutes, involved in satisfying of common public, socially necessary and private needs of population, forming, implementing and improving of labour, culture-spiritual and intellectual qualities of subjects of social reproduction. We can distinguish the most aggregated components:

➢ basic, represented by:

– potential of natural reproduction and health of an individual, territorial communities of different rank, population of a country on the whole;

– labour potential of an employee and aggregate labour force, which includes energy potential or ability to work, combining psychophysical (physical, mental health) and intellectual properties (cognitive and creative), as well as socio-psychological potential, determined by communicative and cultural level and social activity (moral level, achievement need) [3, p. 12];

➢ derivative, represented by:

– aggregate of potentially interreacting social institutions, created by socium subjects in order to satisfy its needs for common public, socially necessary and private values and benefits of individual and collective purpose within activity of assurance and implementation of legislatively secured rights, freedoms and obligations of an individual and citizen;

– potential of the aggregate of social statuses, split-level networks of formal and informal interpersonal, professional, public relations, as well as positive social interactions, generated by common public, group and individual values and standards of living, relations and interactions;

– culture-spiritual and education-innovative potential – corresponding non-material and materialized results of labour potential, which function independently of their creator: 1) having entered the systems of culture and religion, as well as culture-spiritual (including figuratively symbolic) heritage of local and regional communities, country population, mankind on the whole; 2) having received execution in form of various documentation based on the results of researches and developments in areas of knowledge, professional, popular science works and imaginative literature, oral, printed and electronic information sources and databases; 3) covered by copyright and related rights, certified by patents, licenses and similar documents in the field of intellectual property protection; 4) creating different aspects (in particular, professional) of image and reputation of an individual, territorial as well as a variety of functional communities (family, labour collective, business entity, public organization etc.).

Ideas and approaches of the state and socium to the reproduction of structure-forming public institutions and resources, destined for the satisfaction of socially necessary and private needs, as well as provision of equitable access to them, determine configuration of the national socio-humanitarian space, which is functionally represented by following segments:

– socio-territorial population communities (social institutions of family, religion and community, social ranking, social statuses and types);

– labour market (first of all as related to mechanism of formation and balancing of its supply and corresponding demand);

– system of formation and adjustment of public world outlook, moral and ethics, reproduction and improvement of an intellectual, professional and qualification, and innovative potential of labour force (first of all as a combination of such economy branches as education, science and scientific services, culture and art, as well as "knowledge networks", together with mentioned branches represented by information infrastructure);

– economic activity for organization of living and consumption environment of an individual and population on the whole within material production and social sphere;

– consumer market;

– system of social protection, as well as activity for maintenance of corresponding directions of national security;

– social communications (this system covers societal – public, civil etc. – standards and regulations, means and methods of cooperation, conflict resolution mechanisms, confidence level between individuals, social groups, stratums and layers, as well as business entities).

Taking into account formation environment and main components of socio-humanitarian potential, stability and quality of human resources reproduction are determined by parameters of: demographic and labour-resource potential; quality of life; balanced interaction of public institutions in regulation of life spheres and provision of socially acceptable access at the specific historical stage to vital and social values and benefits; capitalization of components of socio-humanitarian potential, distribution and redistribution of a range of corresponding revenues.

Therefore, effective social policy, aimed at implementation of tasks of sustainable human resources reproduction, has to consider a wide range of quantitative and qualitative parameters that are formed in cooperation and mutual influence with a set of factors-generators. It is accepted to qualify the following characteristics of life quality category, in particular:

- objective:

– constitutional and other statutory and regulatory guarantees for observance of human and civil rights, social security and protection of population;

– comparison of structures of general, rational, effectual and unsatisfied demand of population;

- subjective:

– sociological studies of hierarchy and degree of implementation of a needs range of individuals, social groups, targeted vulnerable categories and territorial communities;

– estimations of current conditions and processes by territorial communities, social groups, society on the whole, in particular such as: implementation and correlation of state guarantees of social protection and corresponding rational needs; security of anthropogenic living environment; level of anxiety and public consensus as characteristics of support by wide stratums of elected strategies of social evolution, transformation, modernization etc.;

– regional, national and international quality ratings of living environment, human development, education (in measuring quality evaluation of corresponding services, literacy, competitive ability of educational institutions), health care (in particular, in terms of availability and quality of: implementation of individual treatment options and early preventive health care; palliative care) and other similar branch characteristics;

– level of liberty of speech and worship, corruptness of public institutions (governmental, judicial), extension of informal (criminal, religious) institutes of law and settlement of social problems;

– research of correlation of subjective expectations and estimations of implementation levels of life strategies (career, marriage and family, public activity).

List of factors-generators of sustainability in the processes of human resources reproduction, support of decent life quality comprises first of all:

- structure (including specializations), financial and economic indicators of functioning and level of competitive ability of national economy and its regional subsystems at external markets;
- amounts and structure of population income, including in terms of its employment (hired, state service, entrepreneurship, self-employment etc.), as well as for social groups and targeted categories;
- public principles of organization of living environment and consuming for individuals, functional and territorial communities in terms of:
  - social guarantees and standards of social security and protection (legislative, regulatory, methodically instructive), as well as their conformity to aggregate of public resources, designated for the satisfaction of corresponding needs (in particular with: structure and level of completeness of social expenditure items of national, regional and local budgets; volumes, stability of financing sources and indicators of deficit of pension funds, range of compulsory insurance funds);
  - organizational and economic mechanism of implementation of common public, socially necessary and private needs of population, including diversification of their implementation forms, resources' provision of field-oriented economic activity in servicing daily, periodic, occasional demand in view of its social significancy and urgency;
  - regulation and adjustment of quantitative and qualitative characteristics of goods and services of living and socio-cultural purpose, available for the satisfaction of socially necessary and private needs, as well as observance of life and consumption safety, connected with creation of corresponding socio-political, general economic, environmental, industry-specific – anthropogenic, servicing – conditions (among factors: industry-specific standards, material and technical base, staff potential, managerial and public mechanisms of quality control in all life spheres);
  - level of implementation of special rational needs of separate age, sex and social categories of population;
  - mechanisms of regulation and adjustment of parameters of employment, conditions and effectiveness of labour, including taking into account improvement criteria of professional and qualification

characteristics and competitive ability of economically active population, as well as reduction of volumes of shadow international labour migrations;

– commitments to structure improvement of non-working and free time, in particular in directions of optimization of domestic load, transport accessibility of residence places and labour activity places, conduct of other social activity forms;

– availability of possibilities, characteristics and national specificity of implementation of public activity and social inclusion;

➢ level of education and health condition (physical, mental, moral) of population, its ethno-national and religious structure in regions;

➢ condition and safety of natural and anthropogenic living environment;

➢ subjective estimations of the level and quality of satisfaction of individual and group living and socio-cultural needs, as well as rationality of a range of common public, socially necessary and private needs in terms of individual welfare and maintenance of social consensus;

➢ development of personal and group hierarchy of needs and motivations in various areas of life based on achieved level and structure of material and non-material values and benefits consumption.

Important destabilization factors of human resources reproduction processes in Ukraine remain as follows:

– insufficient consistency and numerous problems of implementation of legal and regulatory framework of social security and protection of population (in particular, as to the Law of Ukraine of 5.10.2000 No. 2017-III "On state social standards and state social guarantees"). Multifacetedness of government obligations concerning social security and protection, outlined in this act and stipulated by it State classifier of social standards and criteria, still has not been duly accounted in methods of determination of the minimum living wage and other financial guarantees. Valid method of minimum living wage calculation rather weakly accounts the content of its social component (as a value representation of a range of needs in cultural and educational, medical, recreational and other goods and services, consumption of which provides proper quality of individuals' social reproduction);

– efficiency deterioration of social mechanisms of vertical social mobility and cultural and ideological integration;

– numerous deficiencies of consumer rights protection mechanism, connected with inappropriate development and lack of coordination of sectoral legislation in the field of individual demand service.

Orientation at social and political stability and sustainability of human development in Ukraine stipulates:

– constitutional recognition of obligations in satisfaction of socially necessary volume of needs, which is institutionalized by principles of the social state; comprehensive formation and standardization of corresponding guarantees, covering in particular statutory and regulatory and targeted financial support (including in control field) of production of goods and services, as well as development and territorial organization of infrastructure, designated for the implementation of these obligations;

– implementation of ideologies for filling the needs of higher levels (cognitive, in achieving of professional competence, worthy social status, desired level of personal realization) by state-developed, community-consolidated and unifying content, derivatives of which are maintenance of social and political stability and national security, forming of PAYG system of social protection (or mandatory insurance systems), capacity building for self-development of territorial communities, socially responsible business orientation;

– balancing of economic structure and labour market with orientation at expansion of representation among specialization branches of high-tech and service sectors;

– stimulation of consumer demand as a driving force of social and economic rise;

– socially conscious optimization and reduction of living needs in the interests of decrease of resource intensity and energy consumption of the economy;

– increase of consciousness level in masses concerning bases of health preserving socially tolerant behaviour and ecosafety existence of the modern civilization.

Under conditions of social and economic instability content of priorities and tasks in provision of equitable access of population to resources, which are able to satisfy the aggregate of its social and private needs, is determined first of all by the needs for resolution of system and vital, general economic and industry-specific, countrywide and territorial problems of human development, stipulated primarily by the necessity of improvement of medical and demographic characteristics of population, increase of competitive ability of economically active citizens and regional economic systems, diversification of their specializations and export structure due to the high-tech, knowledge-intensive and service productions.

Effectiveness increase of reproduction and use of Ukrainian socio-humanitarian potential today requires reasonable government policy of implementation of programs and measures on priorities of social development, among which the most urgent to the state with transition economy, that aimed towards stabilization of socio-economic situation, confirmation of socially responsible market economy practice, are:

– improvement of the social protection system in directions to bring it in line with defined social standards and guarantees, as well as to strengthen target orientation of social benefits;

– improvement of housing provision level through: assistance in solving the housing problems of the middle class and some categories of the population, which define demographic and labor resource prospects of the country and its regions (young families, families with juvenile children, residents of depressive regions, including specialists employed here); formation of the social housing fund for low income strata;

– development of network, material and technical basis of pre-school and secondary education, improvement of the mechanism and diversification of funding sources for public services provision in professional education;

– radical increase of accessibility and quality of primary and specialized medical care, solution of critical problems of sanitary and epidemiological situation;

– assistance for vulnerable strata social integration, including the development of their cultural level and professional implementation;

– optimization of accessibility of information resources of open common use for individuals (regardless of place of residence, income level) and institutions that provides public services;

– stimulation of innovative activity of economic subjects in creating demand for the product, organizational, technological innovations, their development and implementation.

Tracking of implementation processes of formally valid, but financially insufficiently secured system of justified state social standards and guarantees in Ukraine is promoted by the distribution into its actual and perspective levels, to be determined in the state policy and practice of budget process with the help of such categories as social benchmarks and social indicators.

Practice of micro-level factors optimization of stabilization of human resources reproduction processes in Ukraine is potentially the most dynamic, because is greatly connected with the initiatives of local and united territorial communities, consolidated by ethno-national, cultural and religious ideas that are implemented within productive business activity, social responsibility of local authorities [4] and business.

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SUPPORTING THE CREATION AND INSTALLATION OF REGIONAL SOCIAL INNOVATIONS WITH KNOWLEDGE ENGINEERING SYSTEM

1. Introduction

The innovation is an important influencing factor which determines the development of centre-periphery relations. According to several empirical analyses, the economic output of the settlements and regions with outstanding innovation potential is significantly higher also in the converging countries, than this of the territories with the lack of innovation (Autio, 1998; EC, 1995; 1996; 2001; 2002; 2014). While the R&D&I input, output and result indicators of the centres are much higher than the national average, the peripheries have values much below the national average. It has got also a dependent role on the fact that the European Union has supervised its innovation policy in the last two decades (EC, 1992; EC, 1993; EC, 2005). As a result of this the support of social innovation became more important, which can foster the convergence mainly in the case of the peripheries (Moulaert, 2013; Howald/Schwarz, 2010; Szendi, 2015).

2. Aim of the research

The formers/actors of economic policy criticise the work of experts dealing with social innovation several times (sometimes rightly), that although the analyses with different frequency and time period are very useful, but they do not answer the „how more?" question. The number of recommendations is relatively low, which can change on a sustainably way on the living and existential conditions of the inhabitants of peripheral regions' settlements.

Since the geopolitical changes of 1989 the regional level social and economic disparities have been increased in Hungary. While the economic output of the capital (Budapest) and of the regions of Western Transdanubia is higher than the average, the regions in the Eastern part of the country have lower output than the national average (fig. 4.2).

There are similar spatial differences in the case of the per capita R&D&I expenditures and the R&D employment (fig. 4.3).

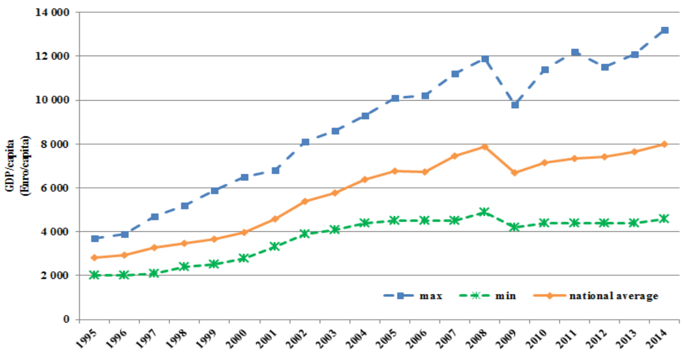

Figure 4.2. Spatial disparities of economic output

Source: authors own compilation based on dates of the Hungarian Central Statistics Office

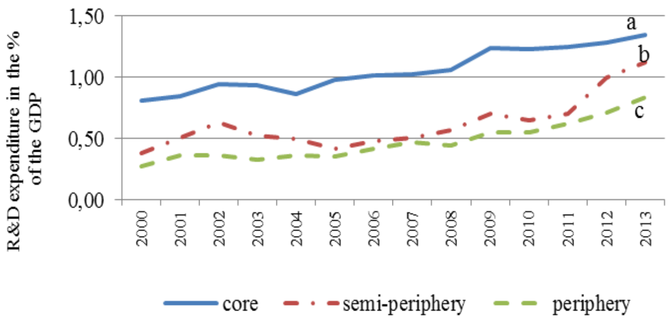

Figure 4.3. R&D expenditures in Hungary (2003-2013)
Source: own calculation
Note: core region (a), semi-periphery (b), periphery (c)

The main goal of our almost two decades long researches: generating such activities which can help the economic growth and social development of the settlements and regions in peripheral situation; creating resources for the implementation of ideas; monitoring of changes; and avoiding factors which hinder the sustainability (Kocziszky, 2010).

To achieve these goals the Faculty of Economics of the University of Miskolc has created a Social Innovation Competence Centre in 2015, which basic functions are the following:

a) elaborating local economic development and social innovation supporting programs in the peripheral regions,

b) guidance in connection with these programs, and

c) creating a special training portfolio which helps social innovation, and generating educational programs.

The above mentioned three goals are equivalent, but as it our experiences show the generation of sustainable innovative programs which are adequate for local problems and capabilities has a higher priority.

To find consistent solutions there is a need for consistent database, methodological and financial knowledge. The knowledge engineering system presented in this recent research is a supporting tool of these.

3. The structure of social innovation knowledge engineering system

The researchers have elaborated in the last thirty years a lot of knowledge engineering (knowledge based) systems (for example:

DENDRAL, MYCIN, EMYCIN, JESS, etc.). Most of these supports solution for natural sciences problems (like medical, Nano technological, etc.), in the field of social sciences there were less systems found.

The well-known knowledge engineering systems differ in several characters (for example user interface, knowledge representation method, technological characteristics, labour intensity, etc.).

The own formalized social innovation knowledge engineering system has got six main parts (fig. 4.4):

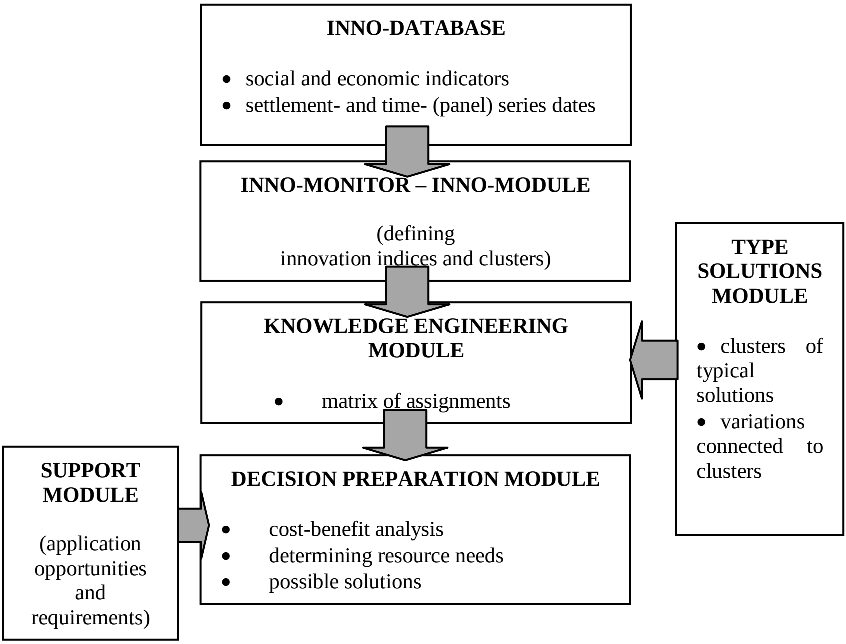

Figure 4.4. The structure of social innovation knowledge engineering system

Source: own compilation

- database, which contributes to the time- and settlement-series accessibility of indicators determining the local innovation potential,
- monitoring module, which helps to determine the vertical and horizontal causalities,
- module of type solutions,
- supporting module, which outlines the national and foreign resources available for implementation,

- artificial intelligence module, and
- decision preparation module, which can help by formulating social innovation recommendations.

User side characteristics of our knowledge engineering system:

- regulated operation (problem solving), it depends on the database and the mechanism operating parallel with the database; the system gives recommendations for problem solving;
- it is easy to operate, the role of user appears first in the decision preparation module.

3.1 Database module

Our database contains beside the general dates also R&D&I and social innovation data for 1600 Hungarian settlements (58% of the Hungarian settlements) for the 1995-2014 time period. (The upload and maintenance of the dates will be done one time yearly.) The data source is the Hungarian Central Statistics Office (fig. 4.5).

General dates (settlement- and time-series)	
• population • demographic distribution • income dispersion	• density of enterprises • activity rate • employment rate • unemployment rate
R&D&I input indicators	**Social input indicators**
Organizational background • number of R&D&I places • size of R&D&I expenditures • number of R&D projects application requirements	*Organizational background* • number of NGOs • number of non-profit enterprises • employees in non-profit enterprises • available support resources • application requirements
Locational factors • support requirements • R&D&I infrastructure (e.g.: high education institute, research institute, etc.)	*Locational factors* • support requirements • social infrastructure (e.g.: social organizations, etc.)
Human requirements • share of persons with high education degree in the population • innovation age-quotient	*Human requirements* • share of active-aged population without a profession

Figure 4.5. Structure of Inno-database

Source: own compilation

The data management solution is based on SQL type, because of its simplicity and Windows compatibility (Kocziszky, 2010).

3.2 Inno-monitor module

The social innovation potential of a given settlement can be defined in the knowledge of 20 factors. Because of the heterogeneity of the indicators we have grouped the 1600 settlements into clusters (fig. 4.6).

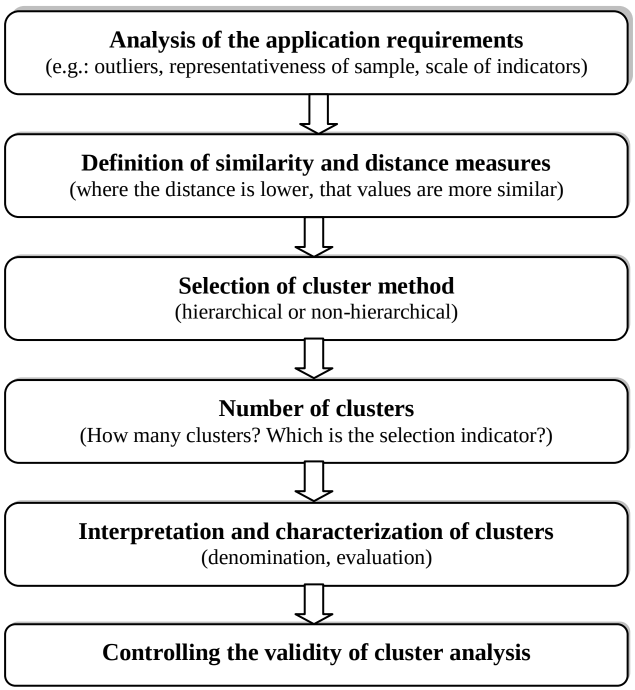

Figure 4.6. Logical process of the cluster analysis
Source: own compilation

As a result of the analysis we have created five clusters: to the first (lowest) group belong 27% of the examined settlements, to the second (low) 31%, to the third (average) 18%, to the fourth (high) 14%, and to the fifth (outstanding) the 10% of the settlements.

3.3 Type solutions module

The module gives type solutions based on nine components (innovation potential, available support forms, solution levels, qualification need, investment need, qualification supply, labour force need, and location need).

3.4 Knowledge engineering module

There are several definitions of social innovation. One part of these gives the opportunity of wider, while the other part of narrower implementation (Zapf, 1989; EC, 2014).

The definition of Gillward is the closest to our standpoint, which defines the social innovation as „an initiative of a given community to change its own situation" (Gillwald, 2000. p.1.).

The emphasis should be put on the willingness to change the situation, and on the other hand on locally new or recent solution. For the community it is important to find a solution consciously, hence recommendations based on the local capabilities and coming from outside have smaller chances to adapt and sustain because the lack of adaptation willingness.

The creation of the type solutions' catalogue (module) has started on the one hand because of maintaining motivation and on the other hand to secure professionalism. Until now we have created five main groups (improving employment, increasing value added, improving health care and social situation, improving infrastructure, settlement development), to which we have defined type solutions. In the type solutions module the framework of solutions is based on live work, location, investment and qualification needs.

The assignment to goals is made according the typology of possible innovations (fig. 4.7).

There can be found in the rows of the first (goal – innovation) matrix the main aims of innovation, while in the columns the type solutions (social innovations) collected for solving the problem (the aim is to define the assignment with an X).

To fulfil this aim the second matrix (characteristic – innovation) gives help, in which rows there are the parameters characterizing the type solutions, while the columns are the same to the columns of goal – innovation matrix.

Innovation types / Goals	IN_1	...	IN_i	...	IN_n
G_1	X				
⋮					
G_j	X		X		
⋮					
G_k	X				X

Innovation types / Characteristics	IN_1	...	IN_i	...	IN_n
Ch_1					
⋮					
Ch_e					
⋮					
Ch_m					

Figure 4.7. Matrices created by the selection of social innovation
Source: compiled by the authors

The social innovations can be ranked by different characteristics and parameters, and in this way we can get the characteristic – innovation matrix. The connection between the aims and characteristics can be also defined. We formulate regulations to the realization of some aims (based on the characteristic – innovation matrix), and as a result of it we get the assignments of the goal – innovation matrix (table 4.4 shows an example for this).

The selection of type innovations can be made through the following four steps:

- The user gets questions along the programme, which ask about the evaluation characteristics!
- The user defines its need per characteristics because of the differentiated perception.
- The knowledge engineering system contains the answers as basic dates.
- The answers given to several evaluation characteristics aggregately make the given innovations probable for application.

3.5 Decision preparation module

The knowledge engineering module, as it also the above mentioned show, gives recommendations for the solution. The objective of the expert(s) is to describe the final suggestion/recommendation (fig. 4.8).

In the process the expert should answer several questions (table 4.5). To answer these there is a need for involving local specialists.

Table 4.4

Assignment example

Nr.	social innovation's		
	aim	form	function
1.	improving employment	• settlements' economy	• employment of low qualified persons
		• settlement development/ urban development	• driving back to the world of work, professional training
2.	increasing value added	• social agricultural employment	• production of bio products • production of biomass • production of craft products • collecting and growing herbs
		• social farm	• livestock breeding
		• social start-up	• processing herbs
		• social cooperative	• production/ sale
3.	improving health care and social situation	• support for periodical home care	• there are several cases (e.g.: if a person needs medical care or attendance because of disease, akinesia, fracture, and a family member or an adherent takes care of him with the help of adequate services)
		• 24 hours home service	• care for persons living alone (also the persons in mental illnesses)
		• care in boarding home for elderly people	• securing 24 hours long supervision
		• making social kitchen	• securing public catering

Source: compiled by the authors

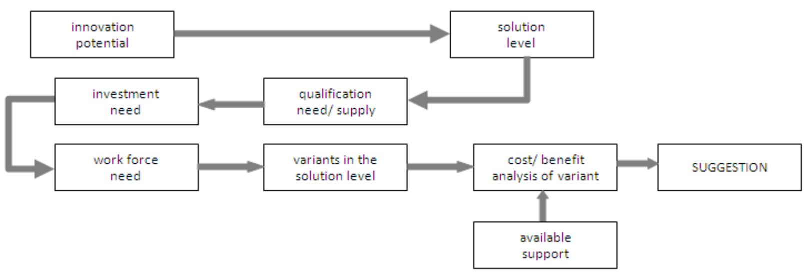

Figure 4.8. Logical frame of the module

Source: compiled by the authors

Table 4.5

Examination aspects

• Modernity level of the products and services created by the examined organization? • The relation of the current activity to the former activities of the organization? • The competitiveness of the products and services? • Character of the production and service structure? • Modification types of the organization's product and service structure? • Advantages and disadvantages of the organization's products connected to social innovation? • Aims and target groups of the social innovation products and services? • Main characteristics of the social innovation products and services? • Competition threatening the organization's social innovation activity? • New development trends in the organization in connection with social innovation? • Weaknesses and type errors of the social innovation's process? • Expected share of social innovation in the revenue? • Degrees of novelty in the social innovation? • Content sources of the social innovation products and services? • Financial resources of the social innovation products and services? • Resource and expenditure share of social innovation? • The adequacy of the organization for social innovation activities? • Relevant factors in connection with social innovation? • Obstacles in connection with social innovation process? • Sources of required information for social innovation? • Cooperation through the social innovation? • To the social innovation involved external organizations and actors? • Participants of the implementation of social innovation? • Role of the organization in the knowledge transfer actions?

Source: compiled by the authors

4. Conclusions, experiences

We test the functioning of the knowledge engineering framework elaborated by the authors from 2015. As a result of this we made the following statements:

- The biggest obstacle of social innovation is not the lack of resources, but the lack of ideas and willingness.

- Because of this there is a significant role of local and regional management's aspect, activity and commitment in the extent of local innovation potential, and on the other hand in the application and socio-economic sustainability of the solution.

Only that attempt will be sustainable, which can renew the need for its products and services and which is independent from others.

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SOCIAL ADVERTISING INTERNATIONAL FORMAT

Today there is a situation when we have no system of social norms in the world. An educational influence of social institutions on individual is also rather weak. The growth of negative tendencies of human behaviour has significantly strengthened such phenomena as alcoholism, drug abuse, infection of HIV/AIDS and others.

Society needs a social rehabilitation. That is why there is a question of forming a positive direction of behaviour of the population with a help of focus on compliance of social, moral and legal norms. One way of solving these problems is social advertising (PSAs) [1].

Social advertising is a special non-content information about common human spiritual, moral, ethical, aesthetic, social, family and national values, good traditions, careful attitude to nature and the environment, healthy lifestyle, environmental safety, etc.

This type of advertising is created and distributed in any form and shape and is aimed at achieving social and noble goals [2].

Here it is used the same set of tools that in commercial advertising – TV commercials, billboards, print media advertising, advertising on transport. The main difference between these two types of advertising is their purpose.

The main goal of commercial advertising – to change the attitude of consumers to a particular product to a positive way and to increase the growth of its demand and sales.

The purpose of social advertising is to change a behaviour and to appeal public attention to the specific problems. PSAs is a reflection of the events and processes occurring in society [3, 4].

The first «germs» of social advertising were in antiquity, in the days of the Roman democracy, when there was a question of the public education of patriotic sentiment. The social advertising history officially begins in XX century.

In scientific literature, the date of the birth of PSAs is considered to be 1906. That was when the American Civil Association created the first PSAs. It was designed to protect the Niagara Falls from harm inflicted by the electric companies [3].

The key moments in social advertising history were the periods of serious international conflicts or systematic changes in the lives of particular countries. These milestones for many countries were the first and second World wars, the Great Depression – for the US, the October Revolution – for nations that were the part of Russian Empire, and many other significant events in history.

For the countries with the developed democracy the purpose of social advertising is not only empty talks and ideas, but motivation and clear actions, creation of new and socially useful values.

Using social advertising, the government promotes its services and report about the implementation of its social functions. Business usually positions the companies as a socially responsible structures that offer goods and services, top managers, etc. Public organizations attract the attention of citizens, government and business to socially significant problems and form a positive public opinion [7].

United States and Britain are considered to be the founders of PSAs in the world and their experience is successfully used in other countries.

Today, English model of PSAs creation and placement is the most clear and centralized one. Here the question of social advertising is not regulated by law – it is ordered by the government and funded by the State budget.

From 1946 the British government has a «Central Office of Information» (COI). COI purpose is to coordinate the activities of governmental structures in the field of communication and cooperation with advertising agencies [2]. Earlier COI had a monopoly in communication budget: it collected from all government agencies orders for their placement to various advertising agencies and was the only customer of social advertising in the media [6]. Then this system was decentralized. Today the Ministries can work through COI or with the media directly. Advertising agencies often overly inflate the price for PSAs accommodation because for social advertising placement in all ministries involved typical state employees.

And the central information office pays to the advertising agencies and TV channels according to standard market rates [2].

The opposite British social advertising model is an American model, which is based on the principles of traditional US liberalism.

The main coordinator and centralized customer of social advertising in media is independent public organization The «Advertising Council» (Ad Council).

This nongovernmental organization (NGO) has 60 years history and brings together respected and influential American public figures. It takes care of the planning, production and placement of PSAs: coordinates work of advertising agencies that are involved in advertising production, and advertisers, which finance it [6]. If advertising raises a serious social problem, place and time in the media release for free [7].

Every year the Ad Council holds about forty campaigns related to improvement of the children lives, disease prevention, education, environmental protection, prevention of conflicts in families and others [2].

Today United States spend about 800 mln. dollars a year for social advertising. But, despite the fact that the US national government is the main PSAs customer and allocates money for its placement, it can not dictate the social themes to Ad Council. Ad Council decides itself which programs spend state money to [2].

Among all EU countries, the greatest interest in PSAs coordination models causes Germany. The aim of its domestic policy is public initiatives stimulation in social outreach. Sponsors of community initiatives of social orientation are such institutions as Bundestag, the federal government, parliament, parliament and government land. [8]

The uniqueness of German system is the absence of any legal act, which would generally, mentioned the term «social advertising». But in this country the system of interaction between all stakeholders in the production and placement of social advertising parties is constructed most clearly. Most of the funds that are given to social needs go to PSAs [9, 10].

In Germany there are various types of social advertising. Most of them you can see on the street, at the mall, in transport. Rarely PSAs can be found in media (television, radio, press). The doubtless PSAs advantage in Germany – its mobility and topical character. Here the first place in the social advertising traditionally occupied by children. Further there are: family, hunger in third world countries, refugees, animals, AIDS. There promote strong family relationships, healthy lifestyle, respect for animals and mercy [2].

In Baltic countries social advertising now is very popular, especially in Latvia. Here it is dedicated to a quite wide range of problems. But the most important is that society is actively involved in PSAs creation and consider it its obligation. In campaigns against drinking while driving, for example, are involved real victims of accidents who became disabled. Great attention here is paid to medical advertising campaigns: against hepatitis, for safe sex life, etc. [11].

In the Latvian law "Advertising" as in German, there is no such term as "social advertising". Media consider it as an ordinary commercial advertising. But, despite this, the general principles of ethics are distributed. Such advertising may contain only those messages that do not break ethical, humanistic and moral standards. In social advertising is not allowed propaganda of violence and war. In PSAs is prohibited: to express discrimination against human rights for race, skin colour, sex, age, religion or political or other opinion. Moreover, there are certain limits about children demonstration in social advertising [11].

Because of lack of legal regulation in the field of social advertising at Latvian media the local TV stations are full of stream of requests for free social advertisements. Marketing departments usually do not accept the overwhelming majority of these requests. The most common rejection reason is the suspicion of organizers in hidden commercial advertisements. For free broadcast are not entitled to those projects whose organizers have high income [11].

The experience in regulation mechanism of social advertising of

Ukraine nearest neighbour Russian Federation is rather interesting. Here only a small number of advertising agencies are involved n a PSAs activity. The main engine of its development here is a «Advertising Council», established in 1993 [12]. This council brings together like-minded people on a voluntary basis. It includes a wide variety of media – newspapers, television, radio and public organizations. The main purpose of Council is to create a single advertising product about social issues. Council members develop models of social campaigns for print media, produce video and audio clips, take part in training of social sphere specialists, support the creation of associations, clubs, unions, assist in organization of social days (Day of smoking cessation, blind person's Day, Diabetes Day, pregnant women Day, etc.) [12, 13].

Activities of production and placement of PSAs in Russia have been regulated by Article 16 of the Federal Law "On Advertising" since 1995 [14]. According to this law external media owners must provide monthly 5 % of its areas for social information. In this case, the advertiser pays only for the design of layout and its installation. However, even these costs are often offered to pay by sponsors. For that sponsors (according to the law) can occupy 10 % of the total area under their logo (for commercial advertisements according to the legislation it is only 3…5 % of the same area) [12, 13].

In the Republic of Belarus social advertising issues are regulated by the Law "Advertisement".

According to Article 2 of the Law "social advertising it is advertising of rights, legally protected interests or obligations of organizations or individuals, healthy lifestyles, health protection measures, public safety, social protection, crime prevention, environmental protection, natural resource management, the development of the Belarusian culture and arts, international cultural co-operation of government programs in the areas of health, education, culture and sports or other events (events) of social character, which aims to protection or satisfaction of public or state interests .... ".

PSAs should not be of a commercial nature. The advertisers of social advertising are government bodies (ministries, departments, committees, local executive and administrative bodies). [15].

A special feature of social advertising market of Belarus are that there social advertising is placed free of charge [15, 16].

Production of social advertising is carried out by means of the advertiser (usually this means provided for the implementation of government programs in various spheres of society and the State) [16].

Two friendly to Ukraine states, representatives of Caucasus – Georgia and Armenia also have their own characteristics of social advertising functioning mechanism.

Social advertising in Georgia is the subject of public and state interests. It focuses on achieving the charitable goals, life protection, and protection of health, property and environment. Permission for PSAs placement and broadcast has only appropriate state bodies and local governments. It should not be mentioned commercial organizations and individual entrepreneurs, brand products and services, which are the result of supporting non-profit organizations entrepreneurship [17].

According to the Georgian Law «Broadcasting» (Article 65) «... license holder in the broadcasting field is obliged to allocate to the social advertising, that is presented in the order of placement in the air, free of charge in a non-discriminatory form at least 90 seconds for three hours» [18].

At the same time, active physical and legal entities, those who create and disseminate PSAs, and are engaged in charity, according to Georgian legislation can have some benefits [17].

The legislation of Armenia also has no clear definition of PSAs, but it has certain provisions related to it. Thus, according to Armenian law «Advertising» frequency of PSAs transmissions that are broadcasted in electronic media is not restricted, but the duration of each individual transmission should be no more than 5 minutes for one hour of airtime [19]. Social advertising that attracts attention to the national interests about nation's health, environmental problems and social protection should be given at least 5 % of annual airtime on a commercial basis. The order for social advertising placement is tracked by Ministries, regional government institutions, government institutions and non-governmental organizations [19]. Moreover, recently the Armenian government dismissed has cancelled municipal fees for external social advertising [20].

Social advertising in Ukraine is quite young line in public communications. It has started to develop not so long ago and still has no necessary revolutions. Today in Ukraine PSAs is the least developed sector in marketing and political communication. In our country total expenditure on social advertising is about 200 million UAH a year that in 9-12 times lower than the average in the EU [21].

Ukrainian PSAs market is developing rather sluggishly. Most of social advertising affaires in Ukraine are conducted thanks to the initiative and financing of international organizations (such as the United Nations and its affiliated companies, EEC, the Organization for Security and Cooperation in Europe, etc.), as well as some of foreign countries (Swedish Government, the Government of Canada etc).

Ukrainian social advertising production in main of its mass, unfortunately, follows two extremes: it is either dim or poorly made, so that does not attract public attention, or vice versa, too provocative, shocking and unethical, and therefore causes a negative perception of both the ideas and social problems [6].

Today, the law of Ukraine «Advertising» is the only official document in the country that determines the social advertising status about relationship between consumer, ad creator and distributor.

According to the Article 12 «Social Advertising»" the requirements for social advertising are following [22]:

1. PSAs advertiser can be any person.

2. Social advertising should not contain links to a particular product, the intellectual property rights, that belong to the manufacturer of the goods or PSAs advertiser.

3. Some benefits, according to Ukrainian legislation, spread to those who produce and distribute PSAs for free, and those who pass their property and money to others for the social advertising production and distribution.

4. The media, which are advertising distributors, whose activities are wholly or partly financed from the state or local budgets, must place social advertising from state and local governments and NGOs free of charge in an amount not less than 5 per cent of air time or/and print space, that is reserved for advertising.

5. Media, which are the distributors of advertising, which fully or partly are funded from state or local budgets, are obliged to provide benefits for social advertising placement, if its customers are educational institutions, cultural and health institutions, which are held by the state or local budgets and charities

This law has set a precedent by which the environment of Ukrainian information that consists mainly of non-state media is saturated with almost no social advertising. As broadcast and advertising space are very expensive, they are readily available for the majority of social advertising customers – state and public organizations.

Apart from problems with the information environment that is necessary for the spread of social advertising it is quite relevant it’s financing.

The main customers of such advertising are public and state organizations that should use their budget resources for its creation. No legalized subsidies exist. Also there are no a single state, legislative or other normative and legal regulation about financing, production and placement of PSAs (social media).

So after comparing the mechanisms of PSAs creation and regulation in Ukraine and in other countries of Europe and CIS, we can say that today, our country require the creation of its concept of social advertising.

It is very important to create some «state centre of social advertising» - body that will serve as a unifying centre for the development of national social advertising concepts, forms and methods.

Also should be developed legislative documents (laws, orders, decisions, acts), that will be regulate relations in PSAs between the Customer and the Executor, the financial mechanism of their interaction, and all the details of production and placement of this type of information.

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PRACTICE ACTIVE AGING AS A SOCIAL CHALLENGE AND THEORETICAL PROBLEM

Population aging is one of the global problems of the modern world. The consequences of this social process are trying to assess specialists in many fields of human life, demographers, anthropologists, economists, psychologists and others. It is clear that changes in the demographic structure of the population of the planet reflected in all parameters of mankind in coming decades.

First of all changes will affect human perceptions about the image of society, “a society of young” and “young” can not be the only project continued existence and development of mankind. The image of the older but socially active person acquires new features, more positive and attractive.

From the standpoint of general anthropology man runs for his life several stages change his psychophysical and sociocultural condition that either brings its total to “program” the existence of a particular society. In other words, a person in a certain period of their life has an opportunity to add more to the total of “human capital”, but also needs some time to time the fate of the capital in its support. As a child becomes a person experiences life in society in order to offer him subsequently their ability to implement them for the benefit of society. After a period of active work in the social environment a person comes to the period of his life, which includes“savings” mental and physical resources. But the social and cultural life is long enough strong, original, and most importantly, very useful for the overall potential existence of a particular society, and sometimes all mankind.

Period of aging is described as mostly quiet, but not very joyful time of gradual separation from the usual social roles, reducing the number of social connections and other quite painful for the person changes. That is, the average period of life can be presented as the period of greatest physical, intellectual, social activities, which account for 30-60 years. But during the XX century becomes noticeable tendency to increase the period of social activity, which further strengthened at the beginning of XXI century.

Due to many factors in developed countries during the XX century increasing the number of people able to keep the period of active work for the benefit of society, that increase its human capital. Revealed countries where aging populations are significantly changing its demographic structure, leading to new social practices and the uprising of new social institutions generally affects the organization of social life.

Population aging from the perspective of socio-economic theory studied by A. Laffer, G. Stendynh, R. Leyard, J. Kornai, who emphasized the impact on the number and structure of the workforce. In Ukraine, the issue of changing age structure of the working population engaged in such prominent scientists as D. Bohynya, O. Grishnova, E. Libanova, L. Lisogor and others.

Many studies in the field of medicine are devoted to the problem of aging: perspectives of available genetic knowledge. In Ukraine there Gerontology Institute is a powerful research institution, the purpose of which is aging research and coordination experimental biomedical, clinical, social and hygienic operation. Ukrainian gerontology has a long tradition, from famous researchers: I. Metchnikov, O. Bogomolets, I. Shmalgauzen, O. Syevyertsova, O. Nahornyy.

Legal aspects of the older person are based on principles developed by the UN elderly and adopted by the General Assembly in 1991 The basic principle is formulated as follows: "to make full-blooded life of the elderly". "The main purpose of the document is to ensure, despite the huge differences in the situation of the elderly, not only between countries but also within individual countries and between individuals, inclusion in national legislation (specific programs) and meet certain standards (principles) Older People" [14].

Socio-cultural, ethical and moral, aesthetic and religious aspects of aging and related issues are the subject of discourse in philosophy, sociology, cultural studies and other humanities disciplines.

Cultural traditions have always shaped the views of older people, especially the relationship between older people and the rest of society. General rules of relations in almost all cultural traditions are equality, justice, mercy, kindness, and help.

Analysis of available sources of information on the issue shows that many authors submit changes in the structure of society on the descriptive level, not associating with other social processes. Thus, the concept of "aging population" and similar describes the present situation and the weather is generally pessimistic, irreversible changes in the population of developed countries and their social consequences. The most threatening social challenge some authors call the situation a decrease (worsening quality) human capital "aging" countries. With virtually no research conducted interdisciplinary nature of the system that would provide advice or support the development of a society without age restrictions with the highest quality of life and solidarity between generations.

Of course, any phenomenon of social reality can be found both positive and negative consequences. No exception problem of aging population and its impact on the functioning of society as whole and individual countries. On the one hand global trend indicates the aging process in the developed countries achieved advances in medicine, genetics; the successful implementation of social programs to implement the principles of a healthy lifestyle. On the other hand, longer life becomes a major challenge for all of existence and operation of planetary humanity, culture, economy, politics, and social sphere.

The purpose of this article is an attempt to generalize achieved in the Western Hemisphere modern understanding of aging in the context of the strategy of operation and development of the social environment.

Thus, population aging was first seen in the Western Hemisphere as a pan-European trend, as one of the most important demographic processes which lead to long-term consequences in many countries.

For European countries this problem is more urgent than for other countries. In recent decades, the European region significantly reduced the level of mortality and increased life expectancy. In addition, the total fertility rate below the population replacement. Also, there is a tendency to pregnancy in adulthood and increase the number of families with no more than two children.

According to forecasts Eurostat, "demographic revolution" will increase the population by the middle of the XXI century 10 million. People, but more than 50% will be citizens aged over 65 years [7; 10].

Indeed, today the aging trend already visible at the level of global humanity. The population of elderly is increasing annually by about 2 percent, significantly ahead of population growth. Scientists predict that the number of elderly will grow steadily for at least the next quarter century. Now the population aged 80 years and older in the world is 600 million, and for the next five years, people aged 65 years on the planet will be more than the children under 5 years.

The economic consequences of this process are given in the published 2015 report of the European Commission on Aging, the dependency ratio of people who turned 65 years economically active age group (15-64 years) is now 27.8% and will continually grow up to 50.1% in 2060 i.e. increase by half. Thus, the ratio of elderly people to the economically active part of the ratio of 1:4 will increase to 2:4. This poses a threat to the economy, forcing the European Union to make active efforts to ensure that the current threat does not become a serious obstacle for the economy. Some of them have already been attached: the European Commission in 2006 set a course to stimulate the birth, increased employment and labor longevity, increased efficiency of labor and economic development trends, integration of migrant workers [4].

We know that only about 20% of the economic potential of any country created work of those who are now engaged in the manufacturing sector. And 80% of capital goods, real estate and other property are a property of the older generation. Most of the older people able to use all his experience, knowledge and skills for representatives of all generations to help real positive changes in society. They offer to take an active social position, such as members of the All-Ukrainian Association of Retired Persons. This position is generally accepted social activity called “active aging”.

The older generation is an important social resource and rational use of the potential of this demographic group can bring many benefits to society. In connection with this problem has become particularly relevant scientific substantiation and development of effective models of social interaction with this age group. Recently, the scientific community, dealing with aging actively discussed several concepts, such as “active aging”, “successful aging” and “healthy aging”. What is the meaning invested in this concept, which is between the common and different? It is currently widely promoted and implemented in European countries. One manifestation of what importance to active aging policies in the EU is advertisement 2012 European year of active older people and solidarity between generations.

Despite the thorough and comprehensive development perspective active aging, as well as formalizing the parameters of its definition, some scientists believe that there was no clarity on the interpretation of the term. In our opinion, this is because the term “active aging” can be viewed from several perspectives: organizational, technological and instrumental. In the first case the use of the concept of a general "framework" within which implemented social policies concerning the elderly. On the other hand, "active aging" can be seen as the technology of social work with a specific group of customers. Many older people have high levels of education and skills, experience leadership and organizational work. Using the potential of the elderly can make a base for further development of society as a socio-cultural sphere and the economy are closely related, that as a result the economy will have additional resources, and the elderly – the possibility of self-realization.

According to the World Health definition, "active aging is the process of creating the best opportunities in the field of health, participation and security in order to enhance the quality of life during old age". However, under the three mentioned areas understand the following:

— "health" (this means not only physical but also mental health and social welfare);

— "participation" (understood as the activity of older people in various areas of life (social, economic, cultural, spiritual and civil matters), including their participation in professional activities in the labor market);

— "security" (as for physical security and social security for the elderly, including their place of work).

The concept of "active aging" has entered into circulation since 1990 (since its endorsement by World Health) and is based on three components of life of older people: good health, employment and versatile active stance. According to the World Health definition, active aging is the process of optimizing opportunities to maintain and improve the health and participation in social life and sense of security aimed at improving the quality of life in aging. It enables older people to realize their potential for physical, social and mental well-being throughout life and to participate in social activities in accordance with their needs and desires. There are three main components of quality of life in the process of active aging: health, social integration and employment of the elderly. The achievement of a number of objective and subjective goals in these three areas, in fact, forms the process of "active aging". Social inclusion of the elderly as an important part of the concept of "active aging", is one of the most important tasks of the modern state policy on the elderly. If the younger age groups, the elderly active aging is inextricably linked primarily to employment, in more advanced age to the forefront the need for active participation in social activities - volunteering, social, political [1; 8].

But old age, according to the French researcher in sociology of free time J. Dyumazedye, “from now on should not be limited to passive expectation of death in the bedroom” [6; 90]. Solving the problem of adaptation to aging is seen, above all, the active involvement of older people living alone in the communication process. It is believed that social interaction and other support necessary for the mental health of older people have supported the creation of a certain environment “Rehabilitation” old age, overcoming previous underestimation of life in old age, old stereotypes of old people is today an important task for society as a whole, cultural and recreational areas in particular.

However, others believe that the concept of “successful aging” united the two concepts: first, substantially reduced to a set of clinical criteria and to some extent can be identified with the concept of “healthy aging”; consider using other adaptive processes to achieve efficient operation. The first concept is limited in the future. This role in old age may play a generative. It can become the generative conceptual framework, which enriches the concept of successful aging, and emphasizes both the social context in which the process of aging and the component of personal growth [15].

The authors of activity theory (Havighurst, Neugarten, Mobin 1961, 1968) argue that engaging in old age, people remain the same needs and desires as in middle age, and strongly resist any intention to exclude them from society. Older people are trying to maintain social connections, perform the usual social roles and maintain the same activity that was in them in middle age. This is considered a sign of a happy old age. Highly prized emotional well-being, which refers to the presence of a positive optimistic mood, his past life satisfaction and acceptance of the new terms; to enjoy activities of daily life. This approach is the basis of social policy towards the elderly in many Western countries. It focuses on the inclusion of an active social life, creating conditions for the development of skills and capabilities [13].

In 2012 experts of the European Commission of the EU and the UN Economic Commission for Europe has developed a method of determining and calculating the index of active aging (IAA). This index is used as a tool to measure the active and healthy aging in different countries of the European Union or to assess the activity of individual adaptation to the aging process [11].

This allows measuring the level of independence of life of older people and their participation in professional activities, the level of social activity and the ability to active aging. The index is based on 22 individual indicators grouped into four separate domains, each of which reflects different aspects of the potential of older people for active and healthy aging: 1) activity in the labor market; 2) social activity; 3) independent, healthy and secure lives; 4) the quality of the environment. In the aggregate these indicators in 2012 first by the IAA in the EU took Sweden (44.0 points), the last 28th – Poland (27.3 points) [3].

At the European level also raised the issue that the current policy on the elderly no longer meets the requirements. So far, not enough attention was paid to the participation and contribution of older people in the development of their country, and therefore - there is a need to expand their participation in society, overcome age segregation and ensure the integration of older persons in society [12].

In a society that is aging, enhance the whole spectrum of older people opportunities for employment and professional development system is designed to lifelong learning. Lifelong learning is not only a means of ensuring the competitiveness of workers in terms of innovative development, but also, to some extent, a means of solving the problem of social exclusion of older persons and their integration into new social and economic structures by providing them equal access to knowledge needed in order to take rightful place in society. Therefore becoming increasingly important ability to own learning and updating of knowledge, sensitivity for innovation, ease of "liberation" of old knowledge and skills - what might be called educational and professional flexibility [10, 39].

Conclusions.

The integration of the elderly in all spheres of public life becomes increasingly urgent problem. Strategy and tactics of active aging should be seen as a shared responsibility of all the major subjects in society. It is necessary to monitor and study the needs and expectations of older people, the implementation of measures to involve civil society in the formulation and implementations of measures on active aging, creating platforms for communication and exchange between people ripe old age and youth, providing access to the elderly in different forms education and training.

Ukrainian modernity requires new principles of effective methods of harmonization of relations between society at large and sufficiently large class of older people, including high is the percentage of people with higher education. The idea of building “a society for all ages” involves also forming in the public mind a positive image of old age, respect for older people to use their potential in the economy and the public good.

It is impossible to overestimate the social experience of the elderly. Typically, they are distinguished by the conscientious attitude to work, high internal discipline, and a habit too of putting the public interest above their own, careful decision-making.

The lack of economic opportunities in the state commission implementing programs to older people active social «presence», low awareness of the opportunities of training in old age in Ukraine is the norm. Significantly there is insufficient awareness of the opportunities of education and, therefore, employment in old age. Awareness of residents in urban areas significantly is higher than that for the rural population. This situation is the basis for cooperation between concerned government and non-government organizations, volunteers, and researchers.

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RENEWAL OF PARADIGM OF UKRAINIAN HIGHER EDUCATION FIELD DEVELOPMENT

The scale of transformations in Ukrainian field of higher education (hereinafter – FHE) has exceeded all expectations during the recent quarter of a century. In 1991-2008 the number of higher education establishments (hereinafter – HEE) and students has multiplied, and since that time a reverse tendency has been taking place. It results in the fact that higher education (hereinafter – HE) is a mass phenomenon now. Qualitative metamorphoses include change of HE economic model (pluralism of ownership forms and commercialization of HEE activity), considerable modernization of the existing educational technologies and introduction of new ones, transfer to another level of international cooperation, appearance of procedures determining the quality of education.

Quantitative and qualitative perturbations had diverse economic and social consequences. Year after year their assessment becomes more critical. So, the state cannot completely meet financial requirements of HE. Annual reduction of the student number prevents HEE from full realizing its potential. Graduates cannot find work according to their specialty and employers are not able to meet professional and qualification requirements. So, the scale of the reforms caused the amount of consequences. A chronic character of negative phenomena becomes still more noticeable. Pessimistic views at the reality of Ukrainian HE become stronger in the public mind. It should be admitted that state doctrines, strategies and programs containing guidelines for development, ways and methods of their attaining have not provided the dreamt success of FHE development. The cause consists in the absence of fruitful idea that must be chosen as an ideological basis for HE development. Thus the agenda of modern scientific thought contains an issue of the necessity for search for a paradigm that will become an ideological foundation of progress of Ukrainian HE.

The necessity for reforms in FHE is admitted by both educational community of Western universities and educators in post-soviet countries. J. Ortega y Gasset presented classical research of university education as an original cultural and social practice. The topicality of the author's ideas has not diminished during 70 years; on the contrary, it has gained new content in the latest realities (Ortega y Gasset, 2005). M. Nussbaum‘s research contains "call to action", a plan in which an education model that undermines the foundations of democracy is substituted by a model that supports its development (Nussbaum, 2014). B. Readings‘ book gained global significance due to philosophical comprehension of the history of Western university and its role today (Readings, 2010). M. Shattock assures that HEE success is caused by the quality of education and science and not the quality of management. However, the level of management creates conditions for development of education and science (Readings , 2003). Taking HEE from different continents as an example, B. Klark demonstrates their adaptation to new problems of economy and society (Klark, 2011). Professors' perception of grave condition of HE in great Britain is presented in monograph by T. Hussey and P. Smith (Hussey, 2010). It should be mentioned that foreign scientists see educational reforms in commercial modernization of HEE activity. Promoting advances in education and science they take commercial innovations conditionally positively. However, there are polemics as to the search for a compromise between classical values and up-to-date guidelines of HE development.

Interest of the scientists of post-soviet countries in foreign experience of HE commercialization has different aspects. So, V. Hryhoruk and R. Pylypenko are interested in West-European experience of state and commercial influence on HEE reformation (Hryhoruk, 2011). E Kaliuzhina characterizes pre-institutional and institutional stages of HE development, modern tendencies of institutional changes in the context of informational society (Kaliuzhina, 2011). O. Romanovskyi defined the place of entrepreneurship in HEE activity (Romanovsky, 2011). I. Pasinovych proposed a new Ukrainian HE paradigm oriented to market principles (Pasinovych, 2009). L. Tsymbal focused on special features of regulating educational services market in Ukraine (Tsymbal, 2010). These investigations are characterized by cognitive attitude to HE reformation, according to which the vector of changes is not doubted but particular negative effects are criticized.

The analysis of literature proves the unity of scientists' thoughts in the West and East as to the necessity for HE transformation with orientation to up-to-date world order and scientific and technical achievements of civilization. However, scientists on post-soviet educational territory have not yet obtained answer to the question: due to which educational paradigm did Western universities attain considerable success in all directions of their activity? A paradigm (ancient Greek *παράδειγμα*, *paradeigma* – example, model) is understood as a system of notions and ideas immanent in the period of FHE development.

The purpose of the paper is to find out general and important theoretical basis constituting the principles of the paradigm of Western universities development and determining the conceptual-methodological approach to the formulation and solution of urgent problems of development of Ukrainian FHE.

Time limits present a typological feature of a paradigm, so, first of all, it is necessary to find out the principle position of scientists as to modern tendencies in HE reformation. It is necessary to state the availability of a paradoxical situation: finding out specialists' thoughts as to results of their own activity is similar to the case when a doctor makes a diagnosis as to his/her own health. Such an assessment is typical of education, and for Ukrainian HE it is aggravated by the fact that, as a rule, HEE administrators are acting lecturers and scientists. According to J. Ortega y Gasset, a university reform can be reduced neither to struggle against abuse nor to mere correction, as it always creates new customs. Like a machine, the structure and functioning of a HEE are subject to a certain purpose. That is why a university reform is to be based on determination of the mission (Ortega y Gasset, 2005). Following the author's logics, total HE commercialization is to be admitted a mission taken ambiguously, as a minimum. M. Nussbaum is categorical in her judgment, when she opposes education that aims at receiving profit and education aiming at more comprehensive upbringing the citizens of the country (Nussbaum, 2014). The author's ideas cast doubt on classical understanding of market relations in FHE.

In this connection it is expedient to pay attention to B. Readings's idea who answered the question: if the best university is certainly the richest one. The answer is formulated in the context of contradictory economic criteria and cultural development in HEE management. In a polemic form it is proved that economic criteria dominate over cultural development of peoples and countries. Professional work is interpreted by the author not as a way of cultural and moral improvement but as a material product and per capita income. With this approach the social responsibility of the university, its accountability to society exclusively refers to services provided for money (Readings, 2010). B. Reading's approach, uncompromising as to its form and pragmatic as to its content, deserves attention due to representation of full utilitarianism in modern social-economic relations.

J. Ortega y Gasset presented three functions, forming the mission of university education: transfer of culture, teaching a profession, scientific research (Ortega y Gasset, 2005). The functions listed by the author are usually interpreted as classical (traditional) academic values. So, Western specialists continue discussing the damage done to these values by commercialization.

It should be mentioned that Western scientists doubt if FHE possess classical market relations. T. Hussey and P. Smith consider it inappropriate and harmful to compare a student with a customer, as basic differences in the notions "client" and "student" are most significant in HE. The authors provide regulated proofs of difference between a student who "obtains" qualification and a client as a rational individual for whom a commodity means meeting his/her needs. First of all, education is not a commodity in a shop window as it does not exist at the moment of purchase. There is no possibility for a student to know everything about an educational service even if he/she got a detailed description from HEE graduates. Education is a complex range of person's experience as it implies interaction with people, ideas, artifacts and processes. Second, the educational community determines the content of the "commodity", i.e. what is to be taught and how. A student cannot appeal or judge the content of the educational service. Third, to assess knowledge a person must have experience as qualification is its hypothetical presence. Something that is not appreciated in the beginning is taken as a significant contribution into success when a person is experienced. Fourth, relations of a student and a lecturer differ from those of a client and a manufacturer because the lecturer determines the degree of performance of the assignment by the student (Hussey, 2010). The presented systematization states the dominant of HEE in relations with consumers of services of higher education (hereinafter – SHE). Assuming that relations in FHE differ from those in the field of material production, there arises a question: what does it commit to? In other words, does the specific nature or relations imply a development paradigm excluding commercial relations of FHE subjects?

B. Klark argues with the opponents of the idea of entrepreneurship in FHE. Motivating by the changes in the external and internal spheres of the university, he is sure that, in spite of its comprehensiveness, the term "entrepreneurship" completely determines relations and procedures inherent in a modern HEE. In "collective entrepreneurship" the author sees the essence of university changes early in XXI century (Klark, 2011). So, B. Klark sees the future of HE in entrepreneurship. However, a polemic form of presentation suggests that he admits alternative points of view.

Summarizing the thoughts of Western specialists one should pay attention to different perception of FHE commercialization: from complete non-acceptance to absolute confidence. Availability of opposite points of view implies the necessity for determination of the causes of antagonism and possibility of search for compromise.

When O. Romanovskyi emphasizes that a lot of HEEs in the world go through transformation changes caused by objective circumstances, he must mean Ukrainian HEEs, as the circumstances are identical to realities of HE of Ukraine (lack of financing and weakening of state control over HEE, loss of prestige and competitiveness by a great number of HEEs) (Romanovskyi, 2011). The author does not explain where these circumstances appear from. However, they present a direct consequence of introduction of entrepreneurship into FHE, i.e. the cause is substituted by the consequences. Apart from advantages of HEE commercialization and entrepreneurship, I. Pasinovych lists their faults and dangers (Pasinovych, 2009). V. Hryhoruk and R. Pylypenko explain why commercialization in HE does not always provide its efficiency. They determine four threats of complete commercialization of scientific research (Hryhoruk, 2011). L. Tsymbal considers that special features of SHE include regional disproportions, low entry barrier, absence of a single approach of the state to control of the activity of HEEs of different forms of ownership, a considerable part of HEEs with low number of students, small choice of specialties and a lot of separate subdivisions (Tsymbal, 2010). Thus, Ukrainian specialists see negative features of FHE commercialization but do not doubt the market vector of its development.

Comparison of points of view of foreign and Ukrainian specialists makes it possible to come to conclusions. So, in spite of positive results of university commercialization, there are foreign authors who sincerely doubt and those who are ready to argue. Even steadfast followers of commercialization, persuading others, admit availability of alternative by this fact. So, there is doubt in an explicit and implicit form. Market reforms in Ukrainian FHE did not cause doubts of specialists as to the choice of the way of development during a quarter of a century. While foreign specialists draw attention to commercialization of university activity, Ukrainian scientists analyze formation of market relations in FHE. The difference in the approaches can be explained. Application of term “commercialization” to Western HEEs means increase of the level of commerce in their activity. Specialists on the post-soviet territory understand commercialization as a principle of FHE reformation. It is increase of the level of commercialization that causes fear of Western colleagues, in particular, if it concerns neglect of traditional academic values by universities. Probably, HEEs of post-soviet countries have not achieved the level of entrepreneurship to see the problem, or they are ready to neglect academic values under the conditions of severe competition at SHE market. Presence of doubts is to be taken as an initial condition of the paradigm of development of Western universities (independently of the form of its manifestation) that orients HEEs to achievement of their own success. Absence of doubts is typical of post-soviet countries; it is combined with orientation to collective values inherent in FHE on the whole.

As presence of doubts is a typological feature of the philosophy of pragmatism, it is possible to assume that Western universities follow a pragmatic paradigm of development. The founder of pragmatism Ch. Peirce stated that a human being is a creature who is subject to doubt, so he/she must overcome it for the sake of success (Peirce, 2000). To overcome doubts means to find a compromise between commercialization and academic values. E.g. M. Nussbaum compares education aiming at obtaining profit with education directed to comprehensive upbringing of citizens. The author emphasizes that national interests of a democratic country are oriented to strong economy and developed business culture. In its turn, economy is based on humanities and art that create the atmosphere of responsible and cautious management, novation culture. Thus, there exists one form of education that develops skills for obtaining profit and raises a worthy citizen. Strong economy requires stability of democratic institutes as economic activity is a way of achieving the goal and not the goal itself. Few people will agree to live in a prosperous non-democratic country (Nussbaum, 2014). The author's views are characterized by pragmatism as to HE development.

M. Shattock considers successful those universities that encourage the climate of innovations and development, support new ideas, reward initiative. He also emphasizes that new financial climate requires new styles of strategic management in universities, which should not change fundamental purposes (Readings, 2003). The fact that M Shattock does not oppose innovations and new financial climate to the basic values proves his acceptance of compromise. In this connection O. Romanovskyi states in the context of university entrepreneurship that academic essence of HEEs is determined by their basic common mission of spreading new knowledge and its special position in the society. Along with scientific, cultural and educational missions the author singles out an entrepreneurship-production mission and many others (Romanovskyi, 2011). Combination of modern and classical functions reflects the realities of HE development to a greater degree than its missions and from a theoretical point of view it demonstrates compromise.

B. Klark comes to understanding of a "third way" that positions the place and role of the university between the state and the market. This way demonstrates the ability of HEE to be self-governed, which simultaneously excludes performance of commands of the state and response to the market demand of "clients". Powerful private universities take independent decisions and do not obey instructions of the state or market. Big state universities, having obtained significant operational autonomy, resist market opportunism, which makes them similar to shopping centers. They must transfer from passive autonomy that is dangerous due to stagnation, to pro-active autonomy that threatens with uncertainty of changes (Klark, 2011). Thus, B. Klark's compromise demonstrates his devotion to pragmatic paradigm of HE development.

In the opinion of T. Hussey and P. Smith, relations of a student and a HEE are similar to relations of a citizen and a state, not to relations of a client and a supermarket, as, apart from rights and duties, the parties are to trust each other. HEE activity depends on mutual involvement profitable to everybody and connected with trust, supported by sanctions and privileges. To be a citizen a person must be educated. Everybody should feel that they have equal rights to education not restricted by solvency. In return, universities may hope that students will not spend expensive common resources. The authors consider that commercial agreements as to SHE are a political folly that tends to undermine normal education and may become a social tumor (Hussey, 2010). The authors' emotionality is more like a political manifest oriented to social values. The authors' thoughts as to trust, transformation of a person into a citizen, educational equality, civic responsibility of students are of a declarative character. However, even utopic maxims express authors' intention to achieve compromise that in their interpretation is presented as "mutual involvement profitable to everyone".

Reflecting on perfection, B. Readings came to a conclusion that its only criterion consists in a successful activity of universities at the market. He bases on the fact that in the USA the idea of the nation has always been abstract, based on a promise and not on a tradition. As American culture became a structural oxymoron, the idea of the University lost meaning. A positive financial result is the main factor in the activity of HEE in the author's opinion (Readings, 2010). B. Readings is a typical representative of practicality as the priority of the result is a supporting feature of this philosophy (Peirce, 2000). Based on the logic of pragmatism, a doubt is to be considered overcome on condition of positive consequences of the subject's activity. American

HEEs succeeded at the expense of commercialization, sacrificing classical academic values, so compromise has been achieved.

Thus, every Western scientist has his/her own idea of overcoming the doubt, but everybody believes in a positive result of solution of the dilemma between classical academic values and commercialization of FHE. By the way, V. Hryhoruk and R. Pylypenko are sure that "there are no reasons for speaking of only negative role of commercialization in university life" (Hryhoruk, 2011).

While it is considered that in pragmatism the result is truth, belief in it mediates the wish to act for the sake of overcoming doubts. Thus, belief as a feature of pragmatism is a driving force providing success for Western universities. So, M. Nussbaum considers that her book is about what universities should strive for. While universities do not understand what they should strive for, they will not be able to give knowledge to those who need it (Nussbaum, 2014).

According to M. Shattock, it is extremely important for a university to determine global goals both long-term but practicable and those that should be attained within a certain time period. He pays attention to the fact that, unlike most organizations, HEE strategy as to its basic business is determined as a multitude of detailed decisions (microlevel) and strategic decisions (macrolevel) (Readings, 2003). O. Romanovskyi has an analogous idea when he lists 14 unique missions of HEE (Romanovskyi, 2011). Plurality of HEE missions implies variety of goals and, correspondingly, wishes to achieve them. Thus, belief in result is a set of convictions whose realization provides emergent effect of HEE activity.

B. Klark relates solution of the problem of self-determination by university to existence of wish for entrepreneurship and readiness to generate resources for creation of the future. He associates self-sufficiency of universities with the wish to independently choose the way of development under the conditions of extreme uncertainty of rapidly changing world (Klark, 2011). B. Klark emphasizes that only wish for result, belief in its positivity and readiness to apply maximum effort to it can provide operational independence of the university.

So, Western specialists consider that knowledge of the way of overcoming the doubt generates confidence in success. Belief is nothing else but conviction in the correctness of the choice of ways and methods of overcoming doubts, which clearly demonstrates what the university must wish. Conviction is based on the experience that certifies the ability of the university to realize its potential.

In the education paradigm proposed by I. Pasinovych the goal of HE consists in preparation of a person to self-realization unlike classical paradigm aimed at staffing the economy and society. Classical disciplinary organization of education content is changed into inter-disciplinary one. Transfer of ready knowledge and methods of problem solution is transformed into formation of ability of a person to generate and use new knowledge. In the new paradigm lecturers are students' partners in obtaining knowledge. The classical paradigm was based on the concept "education for the whole life" and the new paradigm is based on "education during the whole life". Thus, the new paradigm shifts the accent from the process of education to final results and, according to the author, is to be the basis for the state policy in FHE (Pasinovych, 2009).

Guided by the concept of "three waves" of A. Toffler (Toffler, 2000), O. Kaliuzhina states that most developed countries have entered an informational stage of development of the society, which is characterized by economy based on production of knowledge, growth of knowledge-intensive productions, redistribution of labor resources. The author considers that basic characteristics of HE information transformation include: individualization, desynchronization, non-mass character, minimization, decentralization, globalization and various ways of obtaining education (Pasinovych, 2009).

L. Tsymbal is convinced that regulation of the market of educational services is to be based on the principles of determination of main characteristics and clear understanding of development prospects. The author lists tendencies that will take place in a medium-term prospect at the market of educational services (Tsymbal, 2010).

Thus, the notion of scientists on post-soviet education territory as to HE goals differs from that of their Western colleagues. The presented points of view certify presence of common goals of FHE development. However, I. Pasinovych points to effectiveness of the new education paradigm, and O. Kaliuzhina refers to futurological theories, which demonstrates her adherence to Western world outlook.

The above said made it possible to come to conclusions. First, the market vector of development of Ukrainian FHE, chosen a quarter of a century ago, was a part of the global trend for HE commercialization. While the level of commercialization of European and American universities was growing, a discussion as to weakening and even loss of classical academic values was strengthening in the educational space. Educational community divided into three parties –supporters and opponents of commercialization, and also those whose attitude to this phenomenon was neutral. The discussion resulted in doubt as to domination of commercial component over cultural and other values in the activity of universities. As a matter of fact, doubt is an ideological principle of the paradigm of development of Western universities, and a part of American philosophy of pragmatism, so universities' choice of the pragmatic paradigm of development is typical of the Western society. After a quarter of a century of market reforms of Ukrainian FHE their negative consequences are obvious, but Ukrainian educational society fails to fully understand the threat to classical academic values. While Ukrainian market reforms from the very beginning are oriented to FHE on the whole, commercialization in Western universities implies independent choice of forms and methods. The essence of differences demonstrates availability of different ideological platforms of paradigms of development of Ukrainian FHE and Western universities.

Second, discussion concerning undermining democratic foundations of the Western society by universities commercialization was the reason for search for ideological decisions in the sphere of compromise between economic profit and classical academic values. Understanding of the necessity for ideological reconciliation told on the activity of leading Western universities that succeed in multi-vector orientation of development. Only financially successful universities can afford liberalization of educational process. While wish to avoid conflicts is an irrefutable proof of availability of ideas of pragmatism in the paradigm of development of Western universities. In its turn, permanent reformation of Ukrainian FHE, performed by the state, draws attention to organizational-legal aspects and avoids problems of generation of a platform of the paradigm of development. Understanding of impossibility of elimination of particular faults without available ideological platform of HE development will inevitably require that Ukrainian educational community take actions as to generation of possibly pragmatic paradigm.

Third, practice has convincingly demonstrated that the "cost" paid for success is significant for Western universities. Constant overcoming doubt creates favorable conditions for universities to generate goals. The history of civilizations certifies that the goal is realized if there is belief in success. It is this conviction based on understanding of the necessity of the search for compromise between economic profit and classical academic values that allows universities to formulate the goal and determine the tasks of development. Conviction is based on practical experience that not only enables eliminating erroneous decisions but, first of all, provides building material for ideological structures. Private experience based on possibilities is of paramount importance for Western universities, so each of them has its own belief in success. Belief in personal success is the cornerstone of philosophy of pragmatism, which certifies availability of pragmatic paradigm of development of Western universities. Reformation of Ukrainian FHE is oriented to result in the national scale, which requires a lot of efforts. Transition of Ukrainian HE to a pragmatic paradigm of development will make it possible to focus limited resources on the most promising directions and subjects.

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Chapter 5

DEVELOPMENT OF RELATIONS ENTITIES LABOR MARKET AND STATE REGULATION OF EMPLOYMENT

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RETENTION OF EMPLOYEES AND THE CONDITIONS OF THE LABOR MARKET

Introduction

The shape and functioning of the contemporary labor market is a derivative of many processes, which from a historical point of view run concurrently with the creation and development of the commodity, monetary or capital market. This concept belongs to the series of the vocabulary used in scientific disciplines such as economics, sociology, and human geography. Like in other markets, demand and supply side of labor market can be identified. Depending on the existing disparity between supply and demand the employer's and the employee's market can be distinguished. It was assumed that the type of labor market influences the implementation of the HR function within the organization, as well as determines the behavior of employees. Therefore, the aim of the article is to find out whether the situation in the labor market affects decisions of employees to stay with the organization or to departure from it and whether employers are trying to prevent the voluntary departures of employees. The following research methods were used: the analysis of literature and employee opinion survey with a questionnaire.

Retention of employees - the essence and conditions of application

The process approach to HR function covers three stages of actions directed to employees, i.e. acquisition, maintenance of employees and parting with them. The existing conditions of application of this function causes that at the indicated stages various actions are taken, different tools and methods are used. Therefore, the typical activities aiming at "the maintenance of employees”, i.e. assessing, developing, rewarding are sometimes accompanied by actions whose purpose is to prevent employees from departing from the organization voluntarily. It can be described as a retention, or the ability to hold on to employees [Heery, Noon, 2001, p. 310]. The term "retention" can also be understood wider as "keeping the status and structure of employment at a stable level that enables accomplishment of business processes" [Pocztowski 2009, p. 11].

Not only hiring professionals or talents may be a strategy of counteracting the voluntary departures of employees [Deery, 2008 p. 792; George 2015, p.102], but also the situation in the labor market, e.g. when the supply of job candidates, especially in the external labor market, is lower than the demand for them.

It is difficult to agree with the statement that “It’s one of the keys to all business success and the closest thing ever to a silver bullet solution and gives an organisation the best chance of keeping great people and transforming their business profits: The best staff retention strategy ever is… great recruitment!” [Johnson 2014, p. 185]. This statement could be true in a very stable, even static environment. However, the environment is constantly transforming. Moreover, the staff also evolves, i.e. age, marital status, fertility, the roles they played in life. As a result, they adjust their work-related needs and expectations of the employer. It is worth noting that many authors believe that "the turnover and retention are not simply two sides of the same construct" [Pocztowski 2009, p.11; George 2015, p. 103]. Therefore, fluctuation of employees is a natural phenomenon. However, if its level is too high, it can become a challenge for the employer, especially if at least one of the indicated above conditions classifying an employee to key stakeholders of the organization is met.

In a simplified way it can be assumed that making a decision on voluntary departure from the organization results from job dissatisfaction (organization, supervisor, co-workers), but also the belief that they will find a job that would bring them greater satisfaction [Taylor 2006, p. 33]. However, the fact is that the decision to terminate the contract by the employee is more complex. It involves, sometimes unconsciously, comparing current job with the idea of an alternative work. Some employees compare only one the most important for them factor, some take into account the set of such features, and some assign weightings to comparable attributes [Lipka 2010, p. 153]. The researchers suggest that there are the following factors affecting retention: development opportunities, remuneration, working environment, the way of managing the organization [George 2015, p. 109].

An employer wanting to keep employees in the organization can take an action involving the use of notice periods, the use of non-compete clause, applying the clause of the repayment of the invested funds, offering attractive benefits to employees, which are defined as "golden handcuffs" [Taylor 2006, pp. 96- 99]. Only offering attractive incentives may result in shaping positive attitudes of employees, including their involvement. It has been proven that positive affectivity and commitment are positively related to employee retention [Deery, 2008 p. 794; Kyndt et al. 2009, p. 204].

The analysis of data obtained from employee opinion survey, salary review, training needs analysis, interviews with the departing employees may be helpful in order to retain employees [Heery, Noon 2001, p. 310]. It seems, however, that it is necessary also to monitor the situation in the labor market.

The situation in the labor market in two ways may influence the retention of employees. It can either affect the willingness to change job, and the resistance to the job offers, or increase the readiness of employers to retain employees. Therefore, the presentation of the results of the empirical research has been preceded with information about the labor market in Poland.

The labor market in Poland – the essence and contemporary conditions

The functioning of the labor market in the context of supply and demand is often presented in the form of analogies to other markets. It is assumed that the same mechanisms as for example in the case of the commodity market are valid in the labor market. If demand exceeds supply, an increase in the prices of labor (salary) can be observed, while the excess of supply over demand results in the decrease of earnings. Such reasoning is correct but only to a very limited extent. The reason for these restrictions is the specificity of the labor market, which, despite having a number of features similar to other markets, differs in many areas. These areas include:

- a subject of exchange,
- personal delivery of work service,
- determinants of quality of work service,
- institutionalization of transactions of exchange,
- long-term nature of the transactions,
- labor market segmentation [Kryńska, Kwiatkowski 2013, p. 12; Guide to using..., p. 3].

Some of the differences between the labor market and other markets result from the subject of exchange, and above all in its specificity. Employers are in fact primarily interested in the human capital embodied in workers. The subject of exchange is the work that employees can provide to their employers. Because of the specifics of these services they have to be provided personally. It is impossible to separate the services from the employee who provides them. This difference is of fundamental importance for the shape of the relations between employers and employees, which depending on the situation in the labor market can take various forms. While supplier of goods in the commodity market is mainly interested in the selling price, the employees, apart from the price of the work (salary), take into account the conditions in which they provide those services. For this reason, the staff attaches great importance to workplace equipment, room arrangement, cleanliness, comfortable commuting or atmosphere in the organization. These factors make up the non-monetary conditions of employment that along with the salary are considered when making the decision about taking up a job or resignation from it.

The important area that differs the labor market from the commodity or monetary markets are the factors that determine the quality of work. In this context, attention is drawn to the commitment of employees, their punctuality, conscientiousness and accuracy of performed activities as well as the degree of their identification with the workplace. The higher the level of these factors, the better the quality of work. In the case of institutionalization of transactions, it is pointed out that there are the numerous legal regulations (eg. labor code, the law on trade unions), which impede the smooth adjustment of earnings to changes in demand

and supply of labor [Ederveen, Thissen 2004]. Long-term nature of transactions refers to the length of the period for which transactions are conducted. In the case of the commodities market this period rarely exceeds one year, while the transaction in the labor market may last even dozens of years. The last area of differentiating these markets is segmentation. It is not a single area but consists of a number of markets distinguished on the basis of geographical or qualification criteria, which very often prevail even extremely different conditions [Leontaridi 1998]. The presented characteristics of the labor market are reflected mostly when the market is undergoing major changes. In the case of high unemployment rate employees much more appreciate the stability of employment rather than the possibility of development or promotion. Conversely, the low level of unemployment forces employers to compete for talents not only by offering the high salary, but also a wide range of additional benefits. This situation is present in Poland (table 5.1).

Table 5.1

Employed persons, registered unemployed persons and unemployment rate in Poland (as of the end of quarter)

	Employed persons (in thous.)	Registered unemployed persons (in thous.)	Unemployment rate (in %)
1Q2014	15573	2182	13,5
2Q2014	15793	1912	12
3Q2014	16063	1821	11,5
4Q2014	16018	1825	11,5
1Q2015	15837	1860	11,5
2Q2015	15986	1622	10,2
3Q2015	16234	1539	9,7
4Q2015	16280	1563	9,8
1Q2016	16012	1600	10
2Q2016	16182	1392	8,8

Source: own work on the basis of www.gus.gov.pl, downloaded 28.10.2016.

Based on the analysis of table 5.1, it can be pointed out to the phenomenon of employees' market, i.e. the situation characterized by the high number of employees (an increase from 15.5 million in the first quarter of 2014 to nearly 16.2 million in the second quarter 2016) and decreasing unemployment rate (a decrease from 13.5% to 8.8% in the second quarter of 2016). These trends are perceived by employees very positively - more possibilities of finding a new or better job, it is easier to get a raise or a promotion at the current workplace. Employers regard this situation negatively as it leads to an increase in labor costs, difficulties in finding suitable candidates as well as the necessity to implement multiple programs aimed at retaining the most valuable employees.

Methodology of research

In order to determine the impact of the situation in the labor market on the retention of employees, a survey using a questionnaire has been conducted. It contained 12 main questions and 6 demographic closed-ended questions concerning the characteristics of respondents (gender, age, work with the current employer, the level of education), employment of respondents (company size, type of business).

As it was important to diversify the respondents, especially in the context of the place of employment, to distribute the surveys theory of bridging social capital was used. This means that the chosen few people, both men and women, of different age, education (the level and profile), the place of work, members of different informal groups have been involved in distributing questionnaires in these diverse social groups. Thanks to that, respondents (n = 86) differed in demographic and social characteristics, as well as characteristics of their place of employment (table 5.2).

The questionnaire was prepared and distributed electronically using Google Forms in October 2016. 86 properly filled questionnaires were analyzed using the statistical methods and Pivot tables in Excel.

The results of the study

This section presents the main conclusions from the analysis of responses.

Respondents were asked whether they received job offers in the last six months (in person, by e-mail, social networks, etc.). More than half of the respondents replied affirmatively. The characteristics affecting the probability of receiving a job offer was sought.

Table 5.2

Structure of respondents by selected criteria

Gender			Age		
	n	%		n	%
Women	58	67,4	< 25	4	4,7
Men	28	32,6	25-34	45	52,3
			35-44	28	32,6
			> 45	9	10,4
Together:	86	100		86	100
Seniority			**Size of an enterprise**		
	n	%		n	%
< 6 months	12	14	< 10 employees	11	12,8
6 months - 3 years	20	23,2	10-49 employees	14	16,3
3 - 10 years	30	34,9	50-249 employees	23	26,7
> 10 years	24	27,9	> 250 employees	38	44,2
Together:	86	100		86	100

Source: own work

Based on the analysis of answers it was observed that the longer the seniority in one organization is, the number of job offers received clearly decreases (table 5.3). It can be explained by the link between seniority and the notice period. According to the legal norms in Poland if the seniority in the organization is less than 6 months, notice period lasts two weeks, if it is between 6 months and 3 years, the notice period increases to 1 month, and after having worked at least three years, it is extended to 3 months. It leads to the situation that employers direct their offers to people who are the most mobile in the labor market.

Research concerned also the vulnerability of employees to job offers. Less than 37% respondents do not consider changing a job. Contrary to expectations, relationship between the age and willingness of employees to change job was not noticed (table 5.4).

Table 5.3

The relation between received job offers and seniority

	The number of answers		Seniority							
			< 6 months		6 months - 3 years		3 - 10 years		> 10 years	
	n	%	n	%	n	%	n	%	n	%
Yes	45	52,3	11	91,7	12	60	13	43,3	9	37,5
No	41	47,7	1	8,3	8	40	17	56,7	15	62,5
Together	86	100	13	100	20	100	30	100	24	100

Source: own work

Table 5.4

Age of the respondents and their openness to job offers

	All answers		Age							
			< 25		25-34		35-44		> 45	
	n	%	n	%	N	%	n	%	n	%
Yes, I changed a job	7	12,7	2	50	4	14,8	1	5,6	0	0
No, I have not changed a job but I considered such option	28	50,9	0	0	15	55,6	9	50	4	66,7
No, I have not thought about changing a job	20	36,4	2	50	8	29,6	8	44,4	2	33,3
Together:	55	100	4	100	27	100	18	100	6	100

Source: own work

However, there is the connection between respondents' gender and their willingness to change job (table 5.5). Analyses indicate that the female respondents were more prone to change. Nearly 18% of them during the six months preceding the survey changed job, while for the men surveyed the indicator amounted to 0. Similar links were also observed in the answers to a question whether they are interested in changing job today. 12% of women and less than 4% of men admitted that they are actively seeking a new job.

Table 5.5

Gender of respondents and their openness to job offers

	All answers		Gender			
			Women		Men	
	n	%	n	%	n	%
Yes, I changed a job	7	12,7	7	17,9	0	0
No, I have not changed a job but I considered such option	28	50,9	20	51,3	8	50
No, I have not thought about changing a job	20	36,4	12	30,8	8	50
Together:	55	100	39	100	16	100

Source: own work

A study shows that regardless of age, the activity of the respondents in search of work remains at a similar level (table 5.6). In each age group, people who admitted to actively look for a job or to be open to an attractive job offer comprised 70% of the population of respondents.

Table 5.6

Age of the respondents and their attitude to change job

	All answers		Age							
			<25		25-34		35-44		>45	
	n	%	n	%	n	%	n	%	n	%
Yes, I am actively seeking a job	8	9,3	0	0	6	13,3	2	7,1	0	0
No, I am not seeking a job but I will consider an interesting offer	56	65,1	4	100	29	64,4	17	60,7	6	66,7
No	22	25,6	0	0	10	22,3	9	32,2	3	33,3
Together:	86	100	4	100	45	100	28	100	9	100

Source: own work

The aim of the study was also to ask respondents whether in their opinion employers find it important to hold on to employees in organizations. It turned out that almost half of the respondents felt that their employers do not care about retaining workers (table 5.7). Those who are attaching importance to retaining employees usually take advantage of attractive motivation tools.

Table 5.7

Employers' approach to employee retention

	All answers		The size of an organization							
			< 10 employees		10-49		50-249		> 250 employees	
			n	%	n	%	n	%	n	%
Lack of employee retention, hiring new staff in place of leaving one	42	48,8	5	45,5	5	35,7	13	56,5	19	50
Employee retention by increasing their loyalty	12	14	2	18,2	2	14,3	3	13	5	13,2
Employee retention on the basis of legal regulations	14	16,3	1	9,1	2	14,3	5	21,7	6	15,7

Source: own work

Preliminary conclusions that arise from the analysis of data presented in table 5.7 relate to the potential relationships between the size of the company and the approach to employee retention. It turned out that mainly medium and large enterprises have the passive attitude towards the problem of retention. This result is surprising, hence usually there are specialized human resources departments in companies of this size. They have an adequate budget and competencies to analyze changes in the labor market and to respond adequately to these changes through the usage of appropriate tools of employee retention at their disposal.

Summary

The data concerning the labor market in Poland demonstrate that there is the employee's market. It means that the employers face the challenge of hiring suitable job candidates and retaining employees. A study shows that almost half of the respondents think that their employers cannot hold on to the staff. Surprisingly, this problem, in the opinion of respondents, applies mostly to medium and large companies rather than those that employ fewer than 50 employees. Furthermore, more than half of the respondents admitted that in the past 6 months they had received a job offer. In general, these people were potentially the most mobile in the labor market, i.e. they have seniority in the company less than 3 years, that means the notice period shall not exceed 1 month. To pay more attention to the employee retention, employers might be inspired by the fact that about 70% of the respondents is open to the possibility of changing job.

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FORESIGHT IN THE BUSINESS SUPPORT SYSTEM AND NATIONAL AND REGIONAL LABOUR MARKET DEVELOPMENT

The role of the Foresight methodology in the strategic policy of any country using its potential in science (technology and innovation) to the full has increased over last decades. The importance of interdisciplinary cooperation has become important and therefore it provides new opportunities for development and consolidation of specialists in different areas in determining of priorities for the future. This involves changing the prevailing approach to the selection of scientific and technological priorities and funding allocation. Foresight is becoming popular both in administrative structures and activities of modern corporations.

Due to the spread of Foresight ideas its goals and objectives became more diverse, they received recognition of scholars and experts in different fields of activity. There are three stages of changes of Foresight goals and therefore new development conditions evolved:

a preparatory phase (60-ies of XX ct.) – some Foresight methods were used in the USA, then in Japan, mainly for defense research;

the first stage is a technological Foresight when the program was used for the development of scientific and technical prospects;

the second stage is a market-oriented Foresight that is an assessment of the social and cultural effects of the emergence and implementation of technologies;

the third stage is a socio-economic Foresight, focused on issues that cannot be solved and last during the time when a technological forecast is “tied” to the solutions of certain problems (Martino, 1977).

Foresight stages and concepts changed together with the government, industry and regional policy changes and social structures reformation.

World and national practice prove state and local support and promotion for the benefit of the state and regions to be the norm and an obligatory prerequisite for the successful development of small and medium business (as opposed to big ones). The task of the state and regional authorities is not only to support small businesses at all costs but to create legal, administrative and socio-economic conditions for the growth and an expanded reproduction, define the development priorities and prospects, outline the future based on current technology forecasting, planning, diagnosis according to market changes.

Attracting advanced technologies of processes forecasting of an enterprise development is an urgent issue nowadays and it requires a thorough study and scientific grounding.

The development of small and medium business is becoming more and more important for regional economies. Firstly, business is a powerful link due to its advancement on a territory, catalyst and stimulant of any business activity. Its development and improvement leads to the emergence of new regional infrastructure elements: information services, communications and transport, all kinds of technical, consultation and public utilities services. Secondly, increase in the commodity production, trade and services in the area attracts additional flows of people and intensifies internal savings, plus raises additional capital from other regions. Both factors result in an increase in cash flows to local budgets. In regions without a large-scale production budget revenues from big enterprises can be higher than the total revenues from small and medium business.

Small and medium business plays a significant role in shaping of the regional economic sphere. The number of small businesses per thousand of population in Ukraine is 4, in Czech Republic – 12.4, in Poland – 51.3, in Russia – 7, in the USA – 74, in Germany – 37, in EU – 45(as of 01/01/2015). The main obstacle for small business development in Ukraine is the low level of capitalization because of the complicated access to financial and material resources, including commercial loans.

This state of small business development in Ukraine is affect by the features that differ it significantly from business development in most foreign countries, namely, low level of technical equipment and management, lack of effective experience and the desire for maximum autonomy; combination within a small business of several activities, insufficient infrastructure and almost complete absence of state financial and credit fundamentals of small business, uncertainty of Western partners Priamukhina (2015).

The development of small and middle business for the Ukrainian economy is a unique opportunity for an active transition to the standards of the EU market, integration to world markets and the removal of social tensions, especially in the middle class, and therefore can help to restore the latter.

In modern scientific literature the long-term and medium-term forecasting is becoming more important. Researchers in the world actively practice market Foresight theory, methodology, tools and technologies. It is this vision and complexity of the study provide rapid advance of relevant knowledge. The mentioned direction of movement is driven by the needs and economic interests of the future information society and information economy. Integrity of modern Foresight knowledge is discussed in the works by Gaponenko N. (Gaponenko,2008), some aspects of Foresight theory and history are systematized by o. Finagina O., Priamukhina N. (Priamukhina, 2014).

Several key points, directions of research are shown in the academic works: firstly, these are branch projects shaping the future vision of big businesses, corporate structures, market shifts, inter-sectoral and market integration; secondly, national projects, forming an integral vision of the future of the economy and social sphere of public state administration.

The definition of the Foresight category as a methodology, management technology is relatively new Ukraine (Rudenko, 2015). Foresight is a system of expert estimation methods of strategic directions of socio-economic development and innovation, revelation of technological breakthroughs that can influence the economy and society in the medium and long terms. Scientists pay attention to the role of civil society, democratic principles, information transparency in the formation of the future and determine Foresight as "a creative technology of influence on the future formed by agreeing particular interests of different sectors of a civil society and by stimulating of the activity in the area of key technologies" (Tretiak 2009, p. 53).

In the system of state and regional administration of Ukraine forecasting technologies and long-term planning have not been used over the past three decades. It is quite a serious part of managerial and research activities in the world practices. It is an active development of growth strategies of territories and sectors, long-term state planning of the economy; market forecasting – assessment of the prospects for labor markets, information, innovation, products and services, etc (Tretiak 2009, p. 53).

Today Foresight is widely used in new spheres and research objects in Europe. The examples of Foresight studies in the international practice (table 5.8) are widely spread and recognized, but they are not reflected within the time. Thus that does not make it possible to determine the extent of their feasibility.

Table 5.8

Examples of Foresight research in the world practice

Type of research	Research
International research	AC/UNU MillenniumProjec
National research	Vision 2023: Turkish Technology Foresight Futur (Germany) Eforesee Malta Eforesee Cyprus OPTI (Spain) GreekTechnologyForesight FutuRIS (France)
Regional research	Central Macedonia Fazit (Germany) Lombardy (Italy) Wallonia 2020 Province of Liege (Belgium) Gipuzkoa 2020 Crete GermanyRheinland-Pfalz 2030
Local researches	Manchester as a Knowledge City
Branch researches	EU Foresight for Transport Scenarios for Ambient Intelligence in 2010 Dutch Agricultural Foresight Programme IPTS / ESTO S&T Roadmapping Fazit (Germany) INRA 2020 Fistera EU Manufacturing Visions (ManVis)

Source: European Foresight Monitoring Network

Within international experience Foresight includes a set of administrative actions focused on: strategic thinking and its collective capabilities; most effective consideration technologies; adopting collective management decisions; use of modern knowledge of various sciences and scientific trends; active integration of modern management theory and practice and forecasting itself; outlining the future from a position of scientific evidence and professional expertise.

Such Foresight characteristics are desirable in the research on business support, especially its link, small and medium business and increase of the capacity of the labor market in Ukraine.

The Ukrainian government nowadays has no plans and forecasts for the labor market growth taking into account such pressing issues as the impact of scientific and technological progress in the occupational structure of labor demand; the structural changes of the market environment and market development priorities (especially information market and its segments); integration changes of the market; Ukrainian labor market globalization and new forms of migration experts; the latest trends and programs of education according to the future business needs.

Assessing the perspective of Foresight methodology in Ukraine the areas and sectors of state and regional administration with the most interest to such types of forecasts will be emphasized:

Public administration – development of industrial policy priorities; development of investment policy and its priorities; development of innovation policy and its priorities; development of social policy and mechanisms of its implementation, etc;

Regional Management – programmes to support regional industrial markets; targeted program of investment image of the region; formation of innovative projects of business centers; projects and the formation of social policy and social trust etc.

In general the Foresight use by the government can be defined as a strategy elaboration in business (big, small, medium), national market development. The state Foresight projects differ in such characteristics as scale, continuity in organizing and getting results, information capacity, investment and other characteristics, complexity in the efficiency estimation. It is confirmed by the international experience (Priamukhina, 2015).

Foresight has the following properties differing it from other instruments of the market research:

focus on the definite measures, which is not only the analysis and views on the prospects for future development, but in making specific decisions that will shape the future opportunities;

consideration of various alternatives for future development, based on the fact that the future is not clear;

involvement of various stakeholders, as it is necessary to involve many different but interested members of various groups;

interdisciplinary character, which is of a complex nature, tries to cover all the factors that may affect future processes (Ianch, 1974).

There are two main types of approaches to Foresight:

- top-down approach is more like futures, it pays little attention to the interaction of different information sources;

- bottom-up approach puts the emphasis on the interaction, gathering ideas and information on the basis of the large number of sources (Handbook of Knowledge Society Foresight).

Foresight is classified according to the attention focused on: the final analysis product or the analysis process. In the first case the emphasis is made on the result, the final product (the list of priorities, reports). In the second case the process of collecting and processing information, setting information links are stressed. Therefore, the exchange of ideas, knowledge and strategic approaches between experts and decision making persons are encouraged.

Core Foresight principles targeted to support business policy and regulate contemporary labor market should be recognized and implemented in management activities:

people create future, their actions change the environment and ensure progress in certain areas;

future can vary and there are development scenarios, conditions of decision-making;

future in the system of management measures is not projected as a probable fact, it is projected and implemented by the management technologies and practical measures;

Foresight is a collective action and is based on expert opinions and recommendations;

not only is the result important but also the process of analysis and communication adjustment.

There exist many methods of forecasting that might be recommend in the process and measure development procedures to support entrepreneurship at national, sectoral and regional levels. They are grouped into technological (process maps, analysis of frequency of mentions, mapping the basic processes), scenarios (Megatrends, multi analysis, scenario planning, writing essays, etc.), analytical (Delphi, SWOT-analysis and / or analysis of information flows extrapolation) and expert methods (method of focus groups or panels of experts, brainstorming, literature review, the work of expert committees). The scenario planning is the Foresight center that is development of multivariate scenarios of events with simultaneous development of practical measures.

Each method of forecasting is used in certain areas, has its scope of the procedural peculiarities and information processing, conditions of the most efficient use. Foresight projects are focused not only on obtaining new knowledge in the form of reports, a set of scenarios, recommendations, etc. An important result is the development of informal relationships between their members, creating a single picture of the situation.

Foresight is a much more integrated, synergistic approach than a traditional planning and forecasting. Firstly, the forecasts are typically formed by a narrow circle of experts and in most cases are associated with predictions, poorly managed events (forecast of stock prices, weather, sports results etc.). Foresight means evaluation of the possible prospects of innovative development related to the progress of science and technology, outlines possible technological horizons that can be achieved by investing certain assets and systematic work as well as likely effects on the economy and society. Secondly, Foresight always involves the participation (often through intensive mutual discussions) of many experts from all fields, in one way or another related to the subject of a specific Foresight project, and sometimes interviews of certain groups (inhabitants of a region, youth and others.) directly concerned in addressing the issues raised by the project. The third major difference of Foresight from traditional forecasting is the development of practical measures on the approximation of the selected strategic guidelines.

However, public, industry and regional authorities should define the “efficiency” of such predictions, hold them primarily when they are actually needed, and in case of balancing economic interests.

The key principles of Foresight studies at the national and regional level include research intensity; intellectualization (high level and status of experts); innovation; integration; relations harmonization; information transparency; integrated knowledge management and technology; obtaining of a synergistic effect; the possibility to create future conditions; variability in the results and projections; account of the balance of interests in the system of relations “state - business – people”; identifying promising research taking into the account the demand or supply interests; the goal given the corresponding scientific and technological policy of a country, region, sector (Priamukhina 2015, p. 11).

In the result Foresight for the business environment regional authorities will have process scenarios that can possibly occur in this area. Therefore, real plans and perspective development forecasts will be elaborated. As a result the possibility of the project management will appear on the basis of consideration of expert reviews, research, and implementation of the best examples of international experience. Within the subsequent use of results (scenarios) targeted programs to support small and medium businesses can be offered for the further development.

The governments of many developed countries actively use Foresight in the political process and strategic planning. In some countries it is used mainly in defense, forecasting technology development and identification of new risks. In others it is used far beyond these spheres and has spread to all areas of public life and entered into the strategic decision-making process (Kirnos, 2013). Ukraine has a real prospect to introduce Foresight in the research system devoted to the development of the business environment, its qualitative and quantitative changes, competitive principles, priorities in investment and innovation.

This focus of a forecasting technology development will have a positive impact on the labor market from the position of: formation of an independent scientific direction – forecasting and a long-term planning of the labor market on the basis of modern technologies – expert estimation, scenario elaboration etc.; forecasting of economic and administrative efficiency strategies and tactical measures on the labor market; assessment and diagnosis of the basic processes and individual phenomena on the labor market (migration, unemployment, supply, investment and so on.); design of the labor market support technologies (clustering, business incubation and business acceleration, etc.); design of the long-term and medium-term investment (personal, typical and automated); formation of statistical harmonization and standardization evaluation process of the labor market (especially the processes occurring in the global market); design and modeling of business processes in the labor market influencing the overall supply and demand; evaluating the investment effectiveness; etc.

Forsyth-prediction highlights the latest vision not only of the labor market and business activities, but also provides the acceleration of information society formation, information economy in line with the global movement for social progress.

Combination of forecasting with various researches provides planned analytical achievements in the activities of the regional and sectoral bodies. Predicting the labor market, determining the long- and medium-term priorities will contribute to the development of regional policy in accordance with EU standards. In the future it will ensure an opportunity of scientific and reasonable regulation of complex processes such as improving the social protection of the unemployed, attraction of new forms of business incubation; expanding the limits of investment; regulation of the business environment; expanding the limits of interaction between the labor market with other markets. This is the critical importance of development of forecasts of socio-economic development on the basis of quality, completeness and balance of the regional economic complexes, competence and consistency of their development.

Thus, Foresight in the implementation of scientifically based programs and plans of business support has significant benefits not only to improve the investment climate in Ukraine or region but for the whole country, not only to stimulate the development and formation of foundations and economic security. Foresight makes it possible to give the answers to the question of the strategic policy of clustering businesses in terms of investment security through the dialogue of the world and national business, the state and active population.

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VOLUNTEERING IN SOCIAL BUSINESS ORGANIZATIONS

Volunteering is not very popular in Lithuania. Due to a society's view that working for free is useless, few people get involved in volunteering. According to Eurobarometer, Lithuania is one of the countries with volunteering rate lower than 10 pct. (Duomenys apie savanorystę Europos Sąjungoje, 2011). People mostly volunteer is non-governmental organizations (NGOs) which Lithuania is full of. Volunteering is identified with the NGO sector. Social business is a relatively new phenomenon, thus it is not very well known to the Lithuanian society. People are usually unaware of the fact that they can also contribute to social goals by volunteering at social business organizations.

Volunteering not only benefits the individual volunteer, but also the country. People can volunteer in various fields, thus contributing to the welfare of the society. Volunteering helps to develop personal skills, such as communication, responsibility, friendliness, as well as contributes to planning, organization and leadership skills. The country also benefits from volunteering since it helps to create a certain percentage of the gross domestic product. Regarding European Union, volunteering generates from 0.5 to 3 per cent of the Gross Domestic Product (GDP) in each member state (Savanorystė: faktai ir skaičiai, 2011). Because they are highly useful, it is indeed beneficial to constantly promote voluntary activities and to properly assess the work of volunteers.

Social Business organizations often lack human and financial resources, thus voluntary work can be very important and contribute to the creation of intellectual and social capital of the organization. However, social business organizations pay great attention to the implementation of their social objectives, therefore not always enough attention is paid to attracting volunteers and improving the organization of their work.

Voluntary work has been examined by Kurapkaitienė (2011, 2014), Sakalauskas et al. (2012), while voluntary work in social business organizations has been examined by Doherty et al. (2014), Volkmann et al. (2012), Liu et al. (2011). The article analyses theoretical aspects of voluntary work in social business organizations.

Volunteering in our modern society is becoming an increasingly popular phenomenon. Due to this reason, different sources provide different definitions of volunteering and a volunteer. Volunteering is an unremunerated activity in which a person helps another person or organization without seeking monetary compensation for the activity or assistance. Voluntary activities do not include assistance for those individuals with whom the volunteer is family-related (Sakalauskas, 2012). A website for public awareness of volunteering and volunteering opportunities provides the following definition of volunteering: "people of all ages who freely devote their time, knowledge, experience and energy for the benefit of society through the activities for which there is no monetary reward obtained. Volunteering can be limited, such as aid at a one-day event, or extended, i.e. devoting several hours of their leisure time on a weekly or even daily basis" (Kas tai? 2011). This definition provides a quite wide definition of the concept of volunteering while emphasizing the possible forms of voluntary activities based on duration, i.e. short-term or long-term volunteering. It also emphasizes that volunteering is an unpaid activity. Moreover, volunteering is defined as an altruistic activity intended to improve the quality of life of the society and to spread good, while in return volunteer gains more self-confidence (Varodi, 2015). This description of voluntary activities emphasizes the fact that volunteering is one of the factors contributing to a better quality of society's life. According to Kurapkaitienė and Kėžaitė–Jakniūnaitė (2011), a volunteer is "a person who has chosen to give his time and energy to the public and its needs". A volunteer performs unpaid work which is beneficial to others and to the society. Having summarised the definitions of voluntary work it can be argued that volunteering is an activity in which volunteers help others, without receiving a remuneration of any kind. Volunteering is one of the ways to improve personal skills and thus contribute to the public welfare.

It is worth mentioning that a volunteer is not an employee or a trainee. “A volunteer is a separate role which works in conjunction with an employee, a trainee or a member (Kurapkaitienė 2014). There are differences between motivation, responsibility, working time and role of a volunteer, trainee and employee. A volunteer does specific jobs according to his willingness, is partially responsible for a specific task for the duration of his commitment, and helps to carry out operational work of an organization. A trainee performs practice in an educational institution and learns along with involving into the activities; an employee works for an agreed salary, is fully responsible for the assigned tasks to the extent agreed with the employer and holds full responsibility for the performed activity.

Therefore, we can claim that the role of a volunteer in an organization, his working time, motivation and responsibility levels differ from others’. A volunteer has the autonomy to decide what works he wants to do, he is not committed to engage in voluntary activities for a long period of time. A volunteer is also not solely responsible for a specific task, he can be treated as an assistant who helps carry out certain functions. For these reasons, volunteering has certain operational principles.

Operational principles of volunteering help to understand what makes volunteering special. Kurapkaitienė (2014) distinguishes 3 basic principles of volunteering: Free will; Absence of tangible compensation; and Mutual benefit for the volunteer and the organization. The first principle implies that a person cannot be forced to become a volunteer. The person who decides to become a volunteer is free to choose in what area and how much time he wants to devote for voluntary activities. The second principle emphasizes that volunteers engage in unpaid activities. Various gifts, training or travel expenses is not a reward, it is an incentive to continue to engage in voluntary activities without any personal loss. The third principle states that volunteering is beneficial not only for the organization but for volunteer as well since he gains a possibility to improve his skills and deepen his knowledge. However, volunteers are also advantageous for organizations because they help to carry out various operations, contribute to the implementation of projects and organize events. Motivated and active volunteers help to successfully develop of the organization's activities (Kurapkaitienė, 2014).

Sakalauskas identifies the following features of volunteering (Sakalauskas, 2012): volunteering is carried out free of charge, but costs of voluntary activities may be compensated; volunteering is based on the free choice of the person to engage in such activities; volunteering should benefit other individuals and society but not the volunteer. It is emphasized that the volunteer also gains experience and skills in a particular area and meets new people, but the purpose of volunteering is to provide benefits to the public, not for himself; volunteering is available to almost every citizen. It is emphasized that the majority of organizations are looking for witty and mature people who can independently carry out the assigned tasks and take responsibility for their actions. Sometimes becoming a volunteer is subject to certain restrictions (e.g. age limit); volunteer can be a natural person. A legal person cannot be a volunteer; however, it can mobilize volunteers; membership in various organizations is not considered volunteering if members of the organization carry out its obligations. If a member of the organization carries out not only activities beneficial not only to the organization but also to all other members of the public (organizing events, providing free seminars and lectures, etc.), the individual can be called a volunteer; professional practice is not volunteering. Professional practice is different from the voluntary activities, as during the practice the most important goal is to learn and acquire new knowledge, not to provide assistance to others. Also, professional practice can be paid.

In summary, having provided the principles of voluntary actions, it can be said that volunteering is an unpaid activity which is carried out free of personal will. Volunteering provides a benefit to society and the volunteer. The discussed the principles and features are the basis for voluntary activity and are not proper when describing paid or mercenary activities.

Peculiarities of volunteering in social business organizations

Volunteering is most common in non-governmental organizations (NGOs) which are very common in Lithuania. Volunteering is identified with the NGO sector. For non-governmental organizations, it is important to involve more volunteers in its activities since without them it would be hard for NGOs to implement their goals. Due to this reason NGOs are constantly looking for volunteers.

According to the Lithuanian Republic Law of Volunteering (2011), organizers of volunteering in Lithuania are the following: 1) charity and relief funds; 2) budgetary institutions; 3) associations; 4) public bodies; 5) religious associations, 6) communities and religious centres; international public organizations, branches, representative offices; 7) political parties; 8) trade unions; 9) other non-profit legal entities governed by special laws whose profit, if gained, cannot be paid to the participants. Concept of social business indicates that social business can be carried out by profit-making enterprises whose main purpose of economic activities is social benefits, and non-profit organizations that work by applying business models (11 p.). Social business can be a variety of legal forms: communities, companies, cooperatives, mutual insurance companies, associations, unions, foundations and other (12 p.). Following the concept of social business, such business is a business model according to which, by exploiting market mechanism, the pursuit of profit is associated with social goals and priorities, on the basis of socially responsible business and the provisions of public-private partnership and applying social innovation. Social business covers three main aspects: entrepreneurship (regular commercial activity), social (pursuance of social objectives), and management (limited profit distribution, transparent management). The concept of social business states that social business, among other things, must meet the following basic criteria: according to its statutes other statutory document of establishing legal entity by regular economic activity it is aimed to achieve the primary objective: a measurable and positive social impact; the profits are reinvested in accordance with pre-defined profit allocation procedures and rules in order to achieve the main objectives. The concept also emphasizes that social business uses various financial resources i.e. economic operating income, loans, grants, membership fees, and similar. What is more, social business also uses donations and non-monetary resources such as voluntary work. Based on the analysis of these legal norms, it can be concluded that organizations of social business can also be attributed to the organizers of voluntary activities which may involve voluntary work in their activities.

The majority of organizations guiding themselves according to the principles of social business are relatively small are their financial and human resources are very limited (Bridgstock, 2010). Such organizations usually do not have enough financial resources to provide their employees competitive market salaries. Volunteers are an important part of resources of social business especially when dealing with shortage of professional staff. Social business organizations in particular experience the lack of narrow professionals, such as lawyers, designers, photographers, teaching assistants, and similar. Therefore, such volunteers are extremely valuable for the organization because they share their expertise, advice, and contribute to the performance of the organization, without its additional use of financial resources. Such voluntary form is also known as occupational (professional) volunteering (Pro Bono). In addition, it should be noted that social business organizations do not hire enough staff which could help to perform daily tasks and offer their help in implementing various projects and events. Due to the lack of resources, social businesses rely on volunteers to perform such works. Most often these volunteers are young people who want to test themselves in a new, unfamiliar environment, develop and realize themselves as individuals, as well as broaden their skills. By taking volunteers into their organizations, social businesses become more open to the public and become able to draw its attention to addressing social issues as well as the services or goods provided by the organization i.e. to increase the organization's visibility in society.

A number of volunteers give up the idea of volunteering because organizations do not acceptable conditions. Therefore, it is important to create such working conditions for volunteers that would meet their needs. The main distinguished obstacles on why volunteers do not want to engage in voluntary activities are the following (As Good As They Give Workbook 2: Attracting and Selecting Volunteers 2012): lack of information about the organization; lack of experience in volunteering; negative experience in volunteering; fear of Commitment; lack of knowledge about volunteering or believe they do not have the necessary knowledge and skills; lack of time, difficulties with transport; cannot afford to engage in voluntary activities because of financial problems; fear of discrimination; a volunteer does not want to work alone.

In order to attract volunteers, the organization must find ways to overcome these barriers. If there is a lack of information about the organization, it is necessary to publish positive information publicly, make information about the organization and its activities available in various ways, such as the press, the Internet and similar. If a volunteer lacks experience, it is necessary to organize training and provide him with the necessary information as well as to permit him to engage in the organization gradually by assigning easiest jobs.

It should be noted that most of the volunteers are discovered through social networks and personal contacts i.e. by the staff of social business organizations. According to Volkmann et al. (2012), social business organizations should develop and use new strategies and plans for making new members (volunteers). Social business organization may also hold Open Door Days in order to find volunteers and their appropriate positions in the organization according to their individual aspirations and to protect them from disappointment or unfulfilled expectations.

Sometimes volunteers face negative experience of volunteering that does not meet their expectations, thus it is very important to correctly interpret and provide detailed volunteering opportunities for the volunteer and the benefits he can get from the organization. If a volunteer is afraid of commitment, he can be offered to carry out short-term assignments. Many people refuse the idea of volunteering because they know nothing about it or believe that they do not have the necessary competencies. For this reason, when searching for volunteers in is important to be specific and clearly define the skills and experience required for the candidate. It is also necessary to disseminate as much information as possible about volunteering opportunities for everyone to get acquainted with. If a person refuses to volunteer due to a lack of time, it is necessary to create such work schedule that meets the needs of the volunteer, and if there are difficulties with transport, it should be arranged for volunteers and, if necessary, its costs should be paid. Moreover, some people cannot afford to engage in voluntary activities because of financial problems, therefore it is necessary to compensate for the volunteer all the costs associated with volunteering. In order to reduce the fear of discrimination, it is necessary to publish information to underrepresented groups and to emphasize the equality of each person's potential for becoming a volunteer, regardless of race, nationality, religion or gender. If one does not want to volunteer to work alone, it is necessary to create opportunities for volunteers to work in pairs or groups.

To successfully implement the 'dual' mission of social business organizations, i.e. both entrepreneurial achievement and social goals, the CEOs mush balance the staff i.e. to recruit individuals from the sector of business as well as non-governmental organizations sector (Liu and Ko, 2012). Hybridity of social business organizations means that the company's employees, volunteers and managers face the challenge of trying to achieve a balance between implementing and satisfying the multifaceted goals of the organization and its members. By working in a hybrid organization, social business workers and volunteers also seek to reconcile the different values, which include competing in the private sector, social values promoted by non-governmental organizations and principles of the public sector. However, existing research does not deal with situations that arise under the leadership of the groups whose members hold different experiences and have different values. Austin *et al*. (2006) note that management (administration) of the relations between the volunteers and stakeholders is posing new challenges for the organization's management. However, modern studies do not detail the nature of these challenges and their possible solutions.

In order to create a harmonious working environment in which employees receive compensation and volunteers are able work together, social business organizations need to apply effective strategies to meet the different needs of stakeholders (Borzaga and Solari, 2001). In addition, according to Liu and Ko (2012), staff turnover is much more common in the businesses of social organizations which hire employees and volunteers, compared to traditional businesses where only employees are hired. Therefore, it is necessary to carefully and prudently evaluate the volunteer recruitment costs and motivational tools beforehand. What is more, it is important to emphasize that social business organizations pay great attention to the development of external social impact and not always enough attention is paid to human resource management, and in particular to the organization of voluntary work.

According to Volkmann et al. (2012), the organization or voluntary work in social business organizations can be improved by using “voluntary programs”. This program includes new volunteer-making procedures, as well as foresees the conditions for appointing volunteer duties and positions, and volunteer training. Volunteer admission and execution of voluntary program can lead to major changes in a social business organization. Therefore it is important to include employees who are paid salaries into decision-making procedures related to implementation of the volunteering program from the very beginning. First of all, the organization should define the reasons for which admission of volunteers is required to (e.g. part of the costs wants to be saved). All social business organizations, regardless of their size, require a person who would be responsible for volunteer administration and management. If the head of the organization cannot fulfill this obligation, its carrying out should be appointed to a “voluntary service administrator”. Volunteer administrator selects volunteers, adopts and appoints their positions in the organization, as well as trains regularly paid employees on how to work with volunteers. Responsibilities of volunteer administrator also normally include modelling of works, recruitment, interviews with candidates, and volunteer orientation." In order to clearly describe and understand the volunteer's responsibilities and functions in the social business organization, it is recommended to prepare written job descriptions. These descriptions must be similar to the descriptions of the permanent staff, so that the volunteers receive clear information about what the company expects from them. Job descriptions can include: proposed position, job objective, work responsibilities, duties and activities, required qualifications for the position, worker benefits, working time (for example, working hours per week), the proposed starting date, relationship and maintenance of subordination.

Implementation of social business organization's dual objectives i.e. not only the pursuit of profit (entrepreneurship), but also the aspiration of implementing a social mission is often referred to as a motivating force which provides individuals an essential job satisfaction in a social business organization (Bacchiega and Borzaga 2001). By volunteering, individuals seek to contribute to the creation of the social impact on society. It motivates both professional volunteers (Pro bono) and other volunteers too. It is important that every volunteer knows the dual mission of social business and understands what the organization seeks. The volunteer will be more motivated to work when he knows why his carried out activities benefit the public. If volunteers are provided with appropriate conditions for volunteering, they actively involve in the organization's activities. Nevertheless, volunteers' motivation and activity may gradually decrease, thus it is important to find ways to preserve their determination.

Volunteers must be supervised, constantly motivated and receive an estimate for their work. Volunteers must also receive feedback on the quality of their performed functions, so that they can better understand their productivity in the organization. However, volunteer's motives may change over time and social businesses must be prepared to respond appropriately. Continuous voluntary commitment is a dynamic process which is dependent on the feedback processes and recognition of personal development. It is assumed that social business organizations should involve the use of individual motivation measures, such as greater responsibility appointment, authorization to participate in decision-making processes, opportunities of participation in training, support from the volunteer supervising person. Other means of motivation are also important. For example, attention from the media, awards or organizational events (celebrations, theme events) or certificates (for voluntary performance or special achievements) can motivate and encourage volunteers. On the other hand, some of the volunteers' motivation can be encouraged by a simple verbal or written gratitude. It is important that incentives meet the needs of the volunteers.

Guidance of volunteers can be an extremely difficult process. It is very important to choose a leadership style that promotes trust, cooperation, teamwork, personal development, success, satisfaction with the activities and strengthens volunteers' commitment to their activities. During organization management process, attention must also be paid to the volunteer's work and its quality. In summary, it can be said that voluntary work is particularly important to social business organizations because companies usually cannot afford to hire enough workers, especially professionals, due to a lack of financial resources, thus they have to rely on to bringing together and motivating a team of volunteers, attracting people who would sacrifice for a social mission and would agree to work free of charge. In return, the organization must offer volunteers informal relationships, teamwork opportunities and conditions to unfold creativity. It is important for an organization to look for ways to attract new volunteers and retain the existing ones.

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Chapter 6

LEGAL MECHANISMS FOR SOCIAL AND LABOR RELATIONS

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FEATURES OF SOCIAL PARTNERSHIP IN UKRAINE

Ukraine is a country in which for the past ten years two revolutions - the "orange revolution" and "revolution of dignity". This shows the relevance of coordination of the social responsibility of all sides of society. At a time when citizens of the country ("the lower classes of society") could not and did not want to live like before, the authorities of the country ("riding public") has failed and did not like them to govern so as to meet social expectations and aspirations society. This created the country's revolutionary situation.

Social responsibility *of government to the country* as a whole and the individual layers of society, including defined conventional "*social contract*" that fit between citizens-voters and their elected on democratic principles authority, which should reflect their interests, which power "heard" included to its programs and undertook to fulfill them. On the other hand, social responsibility and authority should be agreed with the social responsibility of every citizen and business that operates on the territorial space of the country. Unfortunately, citizens and business, with the use of statutory opportunities, and with disregard for existing rules are not always properly perform duties related to their social responsibility to the country and society.

Thus, issues related to social responsibility agreement between the parties of social dialogue in Ukraine is not only relevant, but those that require immediate resolution.

Problems and certain aspects relating to the social relations in the country and the development of social partnership in society devoted to the study of many prominent national scientists, including work Amosha A.I., Antoniuk V.P., Artemova T.I., Vishnevsky V.P., Heyets V.M., Grishnova O.A., Zaloznovoyi Y.S., Zbarazskoyi L.A., Kolot A.M., Libanova E.M., Novikova O.F., Tsaryk I.M., Shynkaruk L.V. and many others.

However, the rather fundamental theoretical development wide range of issues related to social responsibility, there are certain issues that require further investigation due to the fact that they impede further development and perfection of the social partnership in terms of increased efficiency the parties in this process (government, business and individuals) their powers and responsibilities.

The purpose of this article is an attempt to highlight the features associated with the establishment of areas of social responsibility between government, business and citizens in Ukraine and provide suggestions to improve the coherence of social responsibility in the process of social dialogue between the parties of social partnership.

Harmonization of social responsibility of the parties involves, first of all, balance the interests of the parties with the volumes of responsibility to each other and the level of authority that ensures compliance monitoring undertaken obligations. Among the issues to be addressed to enhance coherence areas and volumes of social responsibility among partners on social dialogue in Ukraine, in particular, the following:

- the volume of social responsibility of authorities (at central and local levels) before the citizens for whom it acts as an employer. As the largest country the employer, the authorities, even though the purpose of the "business activity" in the public and municipal areas are not always profit, reduces its social responsibility to its employees, and often do not perform fully honor their commitments 'liabilities
- social responsibility of authorities (at central and local levels) to the business from the standpoint of determination of clear "rules of the game" in the field of social responsibility for each business activity;
- determine the form and scope of corporate social responsibility (excluding charity, which takes the form of "political" (before the regular or special elections) or "forced" (at the insistence of the authorities, or the pressure of public and political organizations or individuals) bribe) is not depending on the forms of business and size of business;
- ensure social responsibility of citizens before the business ("we are in the same boat and we have a common goal") and before the authorities ("we are law-abiding and responsible");

- development and implementation of clear mechanisms for control of execution each side its share of social responsibility and the manner its exercise;
- determining the evaluation criteria of social responsibility and consequences for each party provided no adherence to the limits of liability.

Harmonization of interests and social responsibility of government, business and individuals may, in our opinion, only on the basis of the functioning of the country's effective socially – oriented and socially – responsible business, that relies on the comprehensive support of the authorities of the country and its citizens, as well as a clear system of protection of interests all economic players are guaranteed by the state and perceived by society as a whole. Achieving this state of affairs is possible only on the basis of the tolerant attitude of the parties to each other if the following conditions are met:

- a clear definition of "responsibilities" of each participant socio – economic relations;
- coordination of all aspects of socio – economic relations mechanism to provide relevant and accurate information about their intentions and capabilities;
- proof of each of the parties of social partnership in social dialogue motivating their positions, arguments and expectations to all participants of socio - economic relations;
- ensuring all aspects of socio – economic relations clear mechanism for monitoring compliance with the undertakings and responsibilities for non-compliance.

Formation and development of relations that determine the nature and level of social responsibility of participants of social dialogue in Ukraine based on the idea of tripartite social partnership. The essence of this idea is that social relations between the two sides of social dialogue, namely between wage workers (citizens and their associations) and business owners (employers and their authorized persons) is the participation of third parties – public officials and local government. However, this "third party" on the one hand is the representative of employees (as potential voters endow powers this way), on the other hand, that party is the employer (as the owner of the business that is functioning in state ownership as well as the employer that finances its work through the budgets of all levels) and depends on contributions to the budget of taxes on business activities.

Thereby, the definition of social responsibility of the parties in the process of social dialogue built on the principles of management objective conflict of interests between the principles of rationality and efficiency in business (positions of employers) and the desire to obtaining the necessary (the desired) a variety of consumer basket of material goods and services and social benefits as equivalent compensation labor costs (positions of hired workers). As for the representatives of state and local governments, they will in this process belong to the mission of fulfilling the role that is similar to the position of "third party" at the decision of any conflict.

The central link in the chain of mutual social responsibility in society ("government – business - citizens") should belong, in our opinion, it is of business, because he is a filler volumes and forms of social relations in the country. A citizen in this circuit is a producer of wealth and consumer social security, benefits, and so on. Authorities as a party that is interested both in implementing the interests of citizens and business development, is using defined legislative powers and influence, not only determine and regulate, but also ensure the implementation of appropriately perceived civil society answers to the following two questions:

- the whole business, which conducts its activity in Ukraine should be only social – oriented and socially – responsibl;
- the concept of social - oriented and socially – responsible business should be clearly defined content of social responsibility by:

a) the authorities in relation to citizens and businesses in that country;

b) each specific business towards society and each citizen in particular;

c) citizens of country to selected by them to authorities and functioning business (irrespective they are employees or not).

Regarding the content of clear definition of social responsibility, speech can go about accepted by authorities and by civil society perceived concept (model) business functioning in Ukraine. The problem in Ukraine is not even in the contents of one or another concept of social responsibility, but in the absence of such a model as mandatory for use. That is, instead of the definition and application of "of clear rules of the game", it comes to "call to be socially responsible" and endless "negotiations on this issue." Particularly, the General Agreement in the country for two terms have not been reviewed (not found consensus), and when it was signed - the government put forward a proposal to increasing two times (!) minimum wage.

Among the options for the use of a model building social relations could to stop, for example, of relatively widespread approach to social responsibility, as: **[**1**]**

- business and citizens certainly fulfill all installed power of laws and regulations (including the responsibility to the partners, employees and society in general) as well as timely and fully pay taxes, dividends to shareholders (business owners) and wages employees, which will ensure formation of appropriate reserves that will ensure social peace in society;
- business, in addition to compliance with legislative of requirements to doing business and taxes, should bear clearly defined at the state or local level that social commitment to improve the quality of life of local communities and society as a whole, including through participation in the implementation of these social programs, but government and citizens - to promote the development and prosperity of the business;
- social responsibility should be applied to a wide range of issues that ultimately promotes business development. Among the areas of social responsibility, including such as working conditions, wages, payment of dividends to shareholders, issue quality and safe products (works, services), environmental protection, employment in a particular region, the implementation of social projects and initiatives of the population in the region, and so on.

Analysis of studies on the practical application of certain concepts (models) harmonization of social responsibility functioning business with the government (both central and local levels) and society shows that it the last of above concepts (the so-called model of corporate social responsibility) as finds the largest commitment by government and public perception.

At the same time, the introduction one or another model predicts that the obligation doing business as a socially - oriented and socially – responsible should be mandatory for all businesses in the country – regardless of the focus areas of business its size and form property on which it is based. Also, corporate social responsibility must be backed by obligations for its functioning both from the authorities and from society as a whole and its citizens in particular.

Unfortunately, in Ukraine, social responsibility of business implemented by some large businesses and businesses with foreign capital, did not find adequate support in most small businesses, and in a sufficiently large number of representatives of medium-sized businesses, and even some representatives of big business. Moreover, given the general lack of government approaches to determining approaches to the social business and its social responsibilities, and evaluation criteria of responsibility, these companies define their social responsibility individually based on corporate standards and personal reasons.

It is an opportunity for business development in Ukraine in terms of its social responsibility "on your own", and the lack of clear definition of criteria and assessments of the degree of social responsibility is a key feature of socially responsible policies in Ukraine, both from a business, and by the government as a whole. Unfortunately, this is one of the major factors that separates our country from economically developed and politically stable countries. Therefore, in our opinion, to promote reform the process of mutual social responsibility between government, business and civil society, need to find mutually coordinate and consolidate the legislation clear articulation all segments of society the answers to the following questions:

- nature and extent of social problems, the solution of which is the responsibility of the parties of social partnership;
- the interests of each of the parties of social partnership in solving social problems and prescribed powers to implement them;
- ways and mechanisms of performance of the parties of social partnership responsibilities, monitoring their implementation and liability for inappropriate (not full, etc.) incurred.

Ukraine has established certain legal framework for the functioning of social partnership in society and mechanisms for determining the social responsibility of the sides that formed during social dialogue. However, most of these laws signed late 90-ies and the Code of Ukraine on labor force since 1971 even. (of course with the appropriate additions and clarifications).

The legal basis of the organization and the conduct of social dialogue in Ukraine during which it must be determined, and social responsibility of each party of social partnership in Ukraine outlines the Law of Ukraine "On Social Dialogue in Ukraine". This law, in particular, clearly defined levels of social dialogue and documents subject to adoption as a result of these negotiations governing the scope and amount of social responsibility of each party. Namely, at the national level – general agreement, at sectorial level – industry and cross-industry agreements, at territorial level – territorial agreements and on the local level – collective agreements. **[**2**]**

As for the content of agreements and collective agreements (ie forms that reflect the nature of the results of social dialogue to build social partnership) and the consequent content clearly defined sequences conclusion of these documents (initially at national level, then at the sectorial and territorial levels, and completion – at the local level), it is determined by another law. Namely, the Law of Ukraine "On Collective Agreements", which was adopted 17 years (!) before the adoption of the law "On Social Dialogue in Ukraine".

Content agreements and collective bargaining, which is defined by the Law of Ukraine "On Collective Agreements" **[**3**]**, shows the desire of the legislature to regulate and display in the General Agreement on the national level resolve a wide range of issues that have applied nature. At the same time, Ukraine is a country that is characterized by a large number of different regional and industry characteristics both in terms of the nature and terms of the flow of work processes and traditions, and so on. Such diversity in need of detail individual issues which are included in general agreement at national level and determination of the limits to it social responsibility aspects of this agreement for the industry and even the territorial level.

The question that prescribed by law for consideration a territorial agreement is almost the same as the questions which are discussed in the General Agreement. The only difference is in the amount of benefits to be not lower than that provided by general agreement. However, in practice, the parties of social partnership at territorial level face similar problems as social partners at national level, as have been integrated to reflect the interests of a rather wide range of very different (from a technological, organizational and economic point of view) regional business structures, and representatives of various interests of a wide range of social, members of the local communities.

A more homogeneous is a challenges that envisaged by the law for discussion at the sectorial level, but is again the need to harmonize is quite a wide range of issues affecting corporate narrowly specific characteristics, complicates acceptance of already coordinated at the national level social dialogue solutions.

Collective agreements that are normative documents of direct action, if they are enclosed in strict compliance with the law and existing regulatory acts should become a massive volumes, duplicating a legislative regulations and corporate position in accordance with the law to a wide range issues. At the same time it must be a contract between employer and employee team, which regulates only clearly defined spectra relations social partners that are peculiar to the local level of regulation of relations.

As a result of this state of affairs, in the practical implementation of the statutory procedures for obtaining the relationship between the social partners and associated results of social dialogue between them have problems. These problems are not only in terms of defining the boundaries and scope of social responsibility of each party social dialogue and adversely affect the efficiency and effectiveness of the system of social partnership as a whole.

Based on the above, the following ***conclusions*** on the need for further development towards finding ways of improving the system of social partnership in Ukraine. In particular, it is proposed:

1. Perform the necessary measures, including a discussion in society and coordination of positions between business and government, clear and unambiguous determination of the content of the concept of "social responsibility" both from the side of each individual business and from the authorities and citizens. This definition should be backed up on a background of legally recognized claims to comply with both from the side business and by the authorities to be socially oriented and socially responsible.

2. Prevent doing business in a different capacity than a socially oriented and socially responsible, clearly defining the criteria of social orientation and social responsibility on the one hand, the government and society – on the other.

3. In order to more clearly define social responsibility and coordination of the parties of social partnership seems appropriate, given the example of Western countries (including, for example, the experience of Sweden **[**4**]**) propose delineation of matters dealt with during the social dialogue between social partners at various levels. Differentiation matters concerning relations between the social partners is possible by making appropriate changes to laws and regulations that determine the content of the agreements. But this is only the technical side of things, the main problem is the need to reach consensus on this issue both in society and in the business environment in particular. At this time, unfortunately, the only point of view about social partnership in Ukraine is missing.

4. As an example, separation matters dealt with during the dialogue between the social partners in Ukraine, may include the following approaches to determine the social responsibility of the parties at different levels of social dialogue:

- *at the national level* focus on the organizational aspects of the formation of social partnership – obligations of the parties to promote common development of the economy, the business environment in it and society as a whole, as well as issues of regulation of different types of social, health and pension insurance, further directions development of social responsibility between the parties to dialogue, etc.;

- the competence of the agreements concluded at the *regional level*, perhaps it would include some aspects of foreign social policy that actually conduct business activity in the region (regardless of their legal registration – conducting charitable actions, social programs as a business – projects and clarify responsibilities and regulation of business, government and society in the joint solution of social and significant issues, etc.), as well as the activities of regional and local authorities and members of local communities, aimed at creating conditions for business development in the region;
- *at sectorial level* agreements would focus on the lower limit of the minimum social standards for workers in the sector, the mechanisms of formation of funds allocated for salaries and other incentive and compensation payments to employees, as well as the main directions of domestic social policy businesses sector (creation and ensure normal working conditions and employment, strengthening of health care workers, development of physical culture and sport, leisure and decisions on domestic issues workers, targeted assistance and support veterans, etc.);
- *at the local level* in collective agreements would be appropriate to focus on the concrete definition adopted at sectorial level agreements and establishing corporate standards and rules aimed at ensuring the effective functioning of the business and the workforce.

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CONCLUSION

The development and improvement of tools diagnosis and assessment of the state of labour resources of the enterprise, as well as the problem of ensuring the effectiveness of systems and human resource management processes always remain relevant to improve the efficiency of economic activity of the enterprise. Human resources are one of the main intangible assets of any enterprise, the rational use of which contributes to the achievement and consolidation of its competitive advantages. In addition, a change of paradigm from mere management personnel requirements for the implementation of industrial or commercial activities to understand the role and importance of the human factor in the development of enterprises and the implementation of its strategic objectives of the study confirms the importance of approaches to the development of diagnostic techniques and evaluation of the enterprise human resources management. The current state of the labour market, characterized by the influence of socio-demographic trends, the manifestation of structural labour market imbalances, unresolved problems of low productivity, rationing and wages in a number of sectors and industries, requires modern enterprises more flexible and adaptive approach to building, development and improvement of human resources management system.

There is a need to rethink the theoretical personnel processes, the development of methodology formation strategy and tactics of the effective use of personnel enterprise, promoting recovery and development of enterprises, to ensure their competitiveness in both local and world markets. Low level of professional personnel of enterprises makes them difficult to adapt to modern requirements, making it particularly meaningful and relevant theoretical development of socio-economic mechanisms of preparation and reproduction of the highly skilled personnels of enterprises with a high level of general and specialized education.

Virtually no developed system of adaptation to the labour market, both to the outside and to the inside. Outside the sphere of attention are the individual career planning, training and retraining of personnel, encouraging professional growth and job rotation. Poor use of new payment systems based on the principles of mainstreaming a personal contribution (including by the workers themselves) and the level of professional competence (real knowledge and skills). The cost of training and retraining of personnel for many managers act as saving paper. Extremely low level of participation of individual employees in the development and management decision-making, the practice of delegating authority subordinates used only sporadically. With low efficiency operating system that provides a vertical, horizontal and diagonal communication within the organization.

In the book, the authors offer a comprehensive approach to diagnosis and evaluation of human resources management of enterprise, social innovation, the legal regulation of the labour market and improving social policies, the introduction of modern motivational mechanisms. The importance in this case defines corporate social responsibility, which includes both the relevant statutory duties, a system of voluntary commitments of the company in the social sphere, economy, environment, business ethics to the society, state, local communities, business partners, customers, shareholders and the company’s personnel implemented in order to ensure sustainable long-term development. To this end, it offers modern personnel management strategy, the use of social advertising, volunteering and partnership.

Theoretical, methodological and practical foundations of human resources management

Collective monograph
edited by M. Bezpartochnyi

Teorētiskie, metodoloģiskie un praktiskie pamati cilvēkresursu vadību

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