# STRATEGIC MANAGEMENT OF THE PERSONNEL DEVELOPMENT OF INDUSTRY COMPANIES

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### **ABSTRACT**

One of the important factors in ensuring the competitiveness of the enterprise taking into account the influence of European integration is, on the one hand, the growth of the strategic orientation of personnel development through continuous evaluation of its contribution to the results of the company's activities and the transformation of its forms and content in accordance with the requirements of the enterprise strategy, on the other hand-involvement in the strategy determination and implementation of personnel development not only managers who are directly responsible for this activity, but also linear managers of the enterprise. It was established that the basis of the European approach to the development of the personnel of industrial enterprises, which takes place through the improvement of the organizational, educational and qualification structure of the personnel, is the concepts of lifelong learning and organization that is learning, the introduction of which into the company's activities ensures the human capital increase, identification and transfer of hidden knowledge, promotion of the development of competences, as well as the use of learning environments, which provides opportunities for continuous adaptation of the structure.

**Keywords:** Personnel Development, Training, Strategic Management, Enterprise Competitiveness, Information and Communication Technologies.

**JEL Classifications:** M5, Q2.

## INTRODUCTION

One of the ways of adaptation of the personnel to highly dynamic unpredictable changes in the enterprise environment in the context of European integration processes is the development of personnel, which is realized through the improvement of its structure. This improvement can be achieved by managing personnel mobility and forming a fundamentally higher educational level. Taking into account the peculiarities of the enterprise's external environment, personnel development should be considered first of all as a process of purposeful improvement of the personnel structure in order to ensure the effectiveness of the activities of industrial enterprises taking into account the influence of European integration.



#### **REVIEW OF LITERATURE**

Critical analysis of the application of human resources management technology, despite promising statements by its supporters, shows a certain gap between ideological settings and their practical implementation.

The practice of human resource management in different countries reflects not only the diversity of national schools and the traditions of personnel management, but also demonstrates the lack of a single concept (Al Shobaki et al., 2017); although more and more companies report on the introduction of advanced human resource management technologies, the practical implementation of the new personnel management strategy faces significant challenges (Collings et al., 2018; Drobyazko, 2018); methods of involvement of personnel (participation in company profits, transfer of shares to employees, etc.), borrowed from the arsenal of human resources management, are often used by managers as more "soft" forms of intensification of labour (Bratton & Gold, 2017); there is no objective evidence that the positive impact of the implemented technology of human resources management on the moral and psychological climate in the company's collective (Madera et al., 2017).

#### **METHODOLOGY**

The validity and reliability of the obtained results are provided by the modern methodology of research.

The methodological basis of work is a set of methods of scientific knowledge in the form of general scientific and special methods of research. In order to achieve the set goal and implement the specified tasks, the following research methods were used: history-and-logical (in the study of the preconditions of European integration processes, analysis of the stages of the development of the theory of personnel management); system analysis (in determination of the conditions for provision of communication as a tool for personnel development and requirements for the development of personnel in certain institutional and cultural conditions); culturological approach (in explaining the dynamics of economic processes, in particular, changes in the models of personnel management); economic-mathematical (in determining the volume and content of training of the personnel of industrial enterprises in the conditions of European integration); statistical analysis (for assessment of the state of personnel development at industrial enterprises); analogies (when developing an approach to the formation of a normative methodology of personnel development).

#### **RESULTS AND DISCUSSIONS**

Professional training takes place in the following types: primary vocational training, advanced training, retraining. Types of training are selected according to the categories of personnel; conditions on the labour market and the need of enterprises in the personnel; logistic and material support of the enterprise; financial condition of the enterprise; prospects of enterprise development. Training of workers takes place in all three types, and for other categories of personnel: managers, specialists, employees, as a rule, it is carried out in the form of advanced training.

One of the important components of effective personnel training is the use of modern personnel training technology and open education technologies. Open education is based on the widespread use of information and communication technologies. Today, information and



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communication technologies become one of the main priorities in the planning of education development. The use of information and communication technologies on the basis of the Internet makes it possible to expand access to education and training; improve the quality of education; reduce the cost of education; reduce education costs; increase the number of courses and programs; increase income from education; develop specialized programs; use the process of technological innovation as a means of revitalizing other aspects of their activities.

An important component of effective personnel development is the information support of the learning process, in particular, the support of decision-making on training of personnel and provision of training of personnel at the enterprise, as well as information support of internal personnel mobility at the enterprise. Information support for personnel training should enable the training using mobile communication devices at any time and place, adapting the form and intensity of teaching materials to the interests and peculiarities of the perception of the learner and the use of resources of online communities (Drobyazko et al., 2019).

According to our research, the percentage of all enterprises that provided training for their employees ranges from 20% in Greece and up to 90% in the UK and equals 60% on average in the European Union, with positive dynamics observed in most countries that have joined the European Union in recent years. The initial vocational training within the enterprise is most developed in Germany, Great Britain, Austria, Denmark, the Netherlands, Italy and Franceabout 50% of workers (Johnson, 2018).

Continuing professional training within enterprises is the most developed in Germany, the United Kingdom, Austria, Denmark, the Netherlands, Italy and France, where it covers more than 50% of enterprises, while in most other European Union countries-no more than 10% (Table 1).

Table 1 COMPARISON OF CONTINUING PROFESSIONAL EDUCATION OPTIONS IN THE EUROPEAN UNION (AUTHOR RESEARCH)				
Countries	Enterprises with continuing vocational training,% of all enterprises	Employees involved in continuing vocational training programs,%	The cost of continuing vocational training, % of the total cost of labour	Time spent by employees on continuing vocational training, hours
European Union	60%	33%	1.6%	9 hrs
Belgium	63%	40%	1.6%	12 hrs
Germany	69%	30%	1.3%	9 hrs
France	74%	46%	2.3%	13 hrs
Austria	81%	33%	1.4%	9 hrs
Sweden	78%	46%	2.1%	15 hrs
United Kingdom	90%	33%	1.3%	7 hrs
Norway	86%	29%	1.3%	9 hrs
Denmark	85%	35%	2.7%	10 hrs

The important factors in ensuring the competitiveness of the enterprise taking into account the influence of European integration is, on the one hand, the growth of the strategic orientation of personnel development through continuous evaluation of its contribution to the results of the company's activities and the transformation of its forms and content in accordance with the requirements of the enterprise strategy, on the other hand-involvement in the strategy



determination and implementation of personnel development not only managers who are directly responsible for this activity, but also linear managers of the enterprise.

It was established that the basis of the modern development of personnel of industrial enterprises, which takes place through the improvement of the organizational, educational and qualification structure of the personnel, are the concepts of training throughout life and the organization being trained. The implementation of these concepts in the company's activities ensures the growth of human capital of the enterprise, the identification and transfer of hidden knowledge, the promotion of the development of competences in order to continuously adapt the structure of the personnel.

An industrial enterprise is a complex combination of various production and organizational units that interact with each other. The analysis of the activities of these components, which includes the staff, is a task that is solved taking into account both the functioning and interaction of individual elements of the enterprise and the work of the enterprise as a whole. Such an investigation is based on the general theory of systems and its component-system analysis.

The study of the influence of the nature of the interaction between the elements of the system is carried out within the framework of structural analysis, for this the system is represented as a certain model, which characterizes the relationships and interaction between the elements.

The process model for organization of an industrial enterprise is more effective than functional and design models through improved information sharing and employee incentives, enhanced coordination and control, and improved management capability for a variety of industrial enterprises. The boundary between the functional, process and design models of the organizational structure of management by the industrial enterprise is rather conditional, and the difference between these models lies in the degree of centralization of management, which decreases in the transition from the functional to the process model, and further-to the design one. The choice of model should take into account the existing level of knowledge, skills and abilities of personnel in the narrow professional field, as well as in the field of corporate and general culture, communication and knowledge of information and communication technologies. Depending on the management structure adopted during design phase, personnel can be both a separate element of the organizational structure of management and an integral part of this structure. The specific organizational model imposes certain requirements on the personnel of the enterprise. The degree of control of performers in the transition from functional model to process and design ones decreases, and their independence increases accordingly. The existing level of personnel training should be taken into account when choosing the organizational structure of the enterprise. The higher the competence of the personnel, the more flexible organizational structures can be created, while the number of hierarchical levels can be reduced.

The results of our study are confirmed by the following studies. Human capital is created as a result of professional training or accumulation of industrial experience (Hilorme et al., 2019). It is subjected to technological or moral depreciation, as well as material assets. However, it can not be sold or transferred to another person (enterprise). By representing human capital as a certain universal (non-specific) resource, one can distinguish certain essential characteristics, among them-the cost, which includes such elements as (Tetiana et al., 2018).

The initial cost-the net present value of expenses necessary for the organization of hiring and training of employees. It should be added that this value should be reduced by the amount of



benefits derived from the benefits of the enterprise due to the concentration of employees in comparison with a set of individual contracts:

- 1. Replacement price: The cost of resources deduced from economic activity as a result of the formation (growth) of human capital.
- 2. Alternative cost: The values that could be obtained using human resources in the best possible ways of their use that were remained.
- 3. The net present value of future income that the enterprise will receive additionally at the expense of human capital.

According to members Buckley et al. (2018), human capital should be taken into account in the company's assets in the case if it really solves certain problems. This implies an assessment of business reputation, flexibility and business development prospects. Indeed, an enterprise, in fact, does not possess human capital in the same sense as it possesses material assets.

## **CONCLUSIONS**

An important problem to be solved in the process of development of the personnel of industrial enterprises is the discrepancy of competence of the personnel of enterprises with the requirements imposed on them, based on the current state of industrial enterprises, on the one hand, and modern requirements, which are formed under the influence of European integration processes, on the other hand.

The provision of the competitiveness of enterprises in foreign markets is possible due to the production of innovative products and the provision of high-tech services, the condition for which is the creation of competencies of domestic enterprises personnel that ensure the compliance of the personnel's professional activities with the tasks of the enterprise development in the context of deepening of European integration. The introduction of continuous training and staff training as a condition for increasing the competitiveness of the company's personnel on the external and internal markets should become the key to creation of the competence of the personnel of industrial enterprises that meet the requirements of enterprise development taking into account the influence of European integration.

On the basis of the analysis of the general problems of the management of personnel development in the European Union countries, current trends and areas of implementation of personnel development were determined. Among the ways to improve the quality of HR development programs in European countries, one of the central places is the involvement in the development and implementation of personnel development programs by the educational institutions, with a focus on self-assessment skills, creative thinking and self-learning. Therefore, the prospects for further research are the development of an effective personnel policy within the framework of implementation of personnel development strategies.

## RECOMMENDATIONS

According to the results of the author's research, the effective way of improvement of the efficiency of training personnel is recommended to organize network training of personnel, which is a joint decentralized educational activity based on information and communication technologies, which provides the possibility of spatial-temporal delocalisation and adaptability of learning provided the creation of a virtual learning environment with the aim to increase the



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flexibility of training the personnel of the industrial enterprise. It has been determined that the lack of network training has high requirements for the motivation of participants in the educational process, which should be taken into account when organizing the training of the company's personnel. It has been established that network training of the personnel, especially in the distant form, provides conditions for the combination of educational and professional activity in the learning process by recreating the social and professional context, in particular through the use of social networks, simulation technologies, telepresence and virtual reality.

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