

## ORGANISATIONAL AND ECONOMIC WAY TO ENSURE THE DEVELOPMENT OF ENTERPRISE PERSONNEL

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**Introduction.** The current state of Ukraine's economy is characterised by transformational changes associated with the country's chosen development vector and the transition to a market economy. Due to external factors, a significant number of businesses face the problem of adapting to the dynamic environment in which they operate. The negative impact can be attributed to frequent changes in the market rules, the emergence of new technologies and discoveries that not everyone can immediately access or adapt to, the inability to compete with more advanced enterprises, and a number of other reasons. However, one of the aspects that has a significant impact on the general state of the enterprise and its success is the staff, namely its quantitative and qualitative composition, which can both ensure the prosperity and growth of the company and, conversely, its decline.

In order to ensure profitable and efficient operation, attention is increasingly focused on such a concept as the mechanism of enterprise management, which is the creation of a management system that would provide constant management influence aimed at obtaining certain results of the organisation's activities, in other words, it is a constant interaction between the subject and object of management that ensure the production process.

The peculiarity is that any management mechanism should be individually developed for each enterprise, taking into account its peculiarities and specifics of activity, in other words, one that would fully cover all the most important aspects.

One of the key elements of a company's management mechanism is the HR management subsystem. Human resources management is an important area of the company's activities, which includes the process of recruiting and hiring the employees required by the company, ensuring comfortable and safe working conditions, developing professional skills and competences, career planning, etc. To ensure effective work with personnel, companies often develop an organisational and economic mechanism for personnel management.

The organisational and economic way of personnel management is a system of forming goals, tasks, principles, functions, models, forms and methods that allow transforming the elements of the personnel development system into its required state in the course of labour intellectual and mental activity, taking into account the factors of the external and internal environment of the enterprise aimed at achieving the efficiency of personnel management. It should include the goals and objectives of HR management, describe the relevant tools and methods, the main directions of improving the level of HR management and relevant programmes, include information on staff motivation, career development, identify areas of employee development and argue their social and economic efficiency.

HR development activities can be carried out by managers and senior executives of companies or by invited specialists. Today, the following methods of staff development are common: courses, seminars, master classes; audio and video courses; rotation of specialists; and knowledge exchange among company employees. Some time should be devoted to non-traditional methods of personnel development, such as business games, situation modelling, team building, etc.

However, in addition to training activities, it is important to properly set up a system of material incentives to increase employees' interest in improving their knowledge, skills and competencies. In other words, it is advisable to use the results that an employee can achieve by using new knowledge or engaging in a new type of activity that has been mastered during training as one of the main incentives. However, it is also necessary to ensure a close reasoned connection between the incentive and the employee's performance. That is, there should be an understanding of why the employee received a bonus or raise.

As for the retention of personnel in the company, this can only be ensured by creating a comfortable atmosphere, an appropriate level of salary and incentive system, as well as providing opportunities to develop and expand their skills and competencies, while growing not only as a professional but also as a person.

The main part. We can think of people as the greatest resource of any organisation or business. However, until recently, human resource management was not considered as important to success as other business operations such as finance, marketing or sales. This notion has changed in many ways due to the impact of new technologies, globalisation of markets and changes in organisational hierarchies. Today's business leaders place great emphasis on hiring the right people and keeping them engaged.

The research of HR management efficiency is an important part of the scientific discourse, and both domestic and foreign scholars pay attention to this topic. Let us consider the key developments in this area. Thus, M. Armstrong, one of the most famous foreign experts in the field of human resources management, in his works, in particular in the book «Human Resource Management Practice», considers comprehensive approaches to effective personnel management, including methods of motivation, evaluation and development of employees. P. Drucker, who is considered one of the founders of modern management, focused on the importance of people in an organisation and the importance of effective management for achieving high results. His ideas on goal-setting, self-management and innovation have a great influence on modern HR practices. G. Becker, a Nobel Prize-winning economist who developed the theory of human capital, demonstrates in his work how investments in employee education and development contribute to productivity and efficiency at both the macro and micro levels. Research on the effectiveness of human resource management, also conducted by domestic researchers, makes an important contribution to the development of the theory and practice of human resource management. They help to understand better how managerial decisions affect labour efficiency and what approaches can be used to increase productivity and employee engagement. For example, V. Tkachenko and V. Savchenko focus on the aspects of staff motivation and loyalty as key elements of effective management. They explore how different remuneration systems and corporate culture affect productivity. D. Boginya has devoted many works to the topic of staff adaptation in the face of changes in the workplace. At the same time, V. Lytvyn and N. Podolchak explore innovative approaches to HR management, including the introduction of IT technologies to optimise the processes of employee selection, assessment and development.

In their scientific studies, V. Weber, F. Hedouri, A. Grishnev, P. Zhuravlev, A. Kibanov, V. Savchenko, V. Kramarenko and many others [3; 9] reveal the conditions for the formation and development of personnel, certain economic and psychological aspects of personnel development, problems of rational development of personnel and their connection with the growth of enterprise competitiveness, issues of assessing the level of personnel development, methods, forms and types of personnel development. It should be noted that today there is still no agreement among scientists even on the definition of the very concept of «staff development». Thus, I. Bepalov believes that staff development is a set of measures aimed at improving the professional and managerial competence of the enterprise's staff for more effective achievement of the organization's goals and objectives.

Egorshin defined staff development as a complex and continuous process of comprehensive development of an organisation's employee's personality in order to improve the efficiency of his or her work. According to P. Schländer, staff development is a system of measures aimed at supporting the ability to train employees, disseminate knowledge and best practices, and train young employees. R. Harrison believed that HR development is a clear understanding of the abilities and potential that work within the strategic structure of the business. G. Polukhina believes that staff development is a process of combining career planning, industrial adaptation, staff incentives and professional training. According to I. Bepavlov, G. Polukhina, R. Marr and G. Schmidt, the components of the personnel development process are: staff incentives, planning and building an employee's career, industrial adaptation and professional training. We do not take into account the opinions of some researchers who believe that the main essence of the staff development process is training and professional promotion with the improvement of their qualifications. However, we also believe that limiting the process of staff

development to four components is not sufficiently relevant at the current stage of business development.

Both domestic and foreign research often focuses on such aspects as staff motivation and engagement, competence development and training, the effectiveness of communications in the organization, and the impact of corporate culture on labour productivity. Particular attention is paid to the impact of digitalization and automation on HR management.

There are many theories and approaches to measuring the effectiveness of HR management. They include a variety of techniques and concepts that help determine the extent to which human resource management goals are achieved. Let's have a look at some of them.

For example, the balance sheet approach. This approach involves measuring the effectiveness of HR management based on various aspects, such as financial indicators (for example, recruitment and retention costs), HR processes and procedures, and employee satisfaction and engagement. The balance sheet approach is considered to be one of the key methods of measuring the effectiveness of HRM and is based on the idea that in order to achieve success in an organization, it is necessary to take into account not only financial indicators, but also other factors, such as processes, procedures and staff potential.

The main principles of the balance approach include:

- financial performance: this includes the cost of managing staff, the cost of recruiting and retaining staff, and the financial contribution of staff to the organization's revenue;
- HR processes and procedures: assessing HR performance includes analysing processes and procedures such as recruitment and selection, staff assessment and development, and employee relations management;
- staff satisfaction and engagement: this is assessed through interviews and questionnaires with employees to determine their job satisfaction, motivation and engagement with the organisation;
- performance: the assessment includes both quantitative and qualitative indicators of employee performance, such as productivity, quality of work performed, error recovery, etc.

Among the advantages of the balance sheet approach, experts highlight a comprehensive assessment. It is worth noting that the balance sheet approach allows assessing the effectiveness of HR management from different perspectives, which gives a more complete picture of management processes. Another important advantage is that it ensures balance. As the balance sheet approach helps to ensure a balance between financial and non-financial aspects of HR management. Another important advantage is the improvement of strategic management, which involves taking into account a wide range of factors, allowing managers to make better strategic decisions on HR management.

Thus, the balance sheet approach to measuring the effectiveness of HR management is an important tool for organisations' management. Given the diversity of aspects of HR management, this approach helps to provide a comprehensive assessment of performance and ensure that the organisation's strategic goals are achieved.

One of the key approaches is the key performance indicators (KPI) method. This approach involves defining specific criteria that reflect the performance of personnel and are defined as key performance indicators (KPIs). These indicators may include such aspects as labour productivity, quality of work performed, staff turnover rate, etc.

KPI methods are a fundamental tool in the strategic management of a company's resources, including in the area of human resources management. KPIs allow organisations to define and measure progress towards achieving their key business objectives by setting quantitative and qualitative targets to measure staff performance.

KPI definitions should be specific, which means they are clearly defined and understood by all stakeholders; measurable, which means they can be quantified or qualitatively measured; attainable, which means they are realistic to achieve; relevant, which means they are closely linked to the company's strategic goals; and time-bound, which means they have a clear deadline.

Examples of KPIs in HR management include labour productivity, which can be measured by the amount of output per employee over a certain period of time; staff attrition rate: the percentage of employees who have left the company, which may indicate problems in the corporate culture or working

conditions; average time to hire (the time required to fill a vacant position, which reflects the effectiveness of recruitment processes); staff satisfaction, which is measured through regular employee surveys and reflects their attitude to the company's overall strategy.

It is believed that for the effective use of KPIs in HR management, it is necessary to set clear, understandable and measurable goals that are in line with the organisation's overall strategy. It is also necessary to regularly monitor the indicators and provide constant feedback and data analysis to identify and solve problems in a timely manner. Strategies should be adapted (there should be a willingness to adjust management strategies based on KPI analysis), and the team should be involved by motivating and informing employees about key indicators and their impact on the company's success.

KPIs are an extremely important tool in measuring and managing HR performance. They allow organisations to determine whether strategic goals are being met or not, and to identify areas for further improvement in HR management.

The next approach to consider is the cost of human capital. This approach involves measuring the effectiveness of human resource management by analysing the cost of investing in the development and retention of staff. This may include calculating the return on investment in training and development, staff retention costs, and other human resource management and development costs. In general, this approach is based on the notion that an organisation's employees are an important resource that has value, and that this value can be measured and assessed.

Among the main aspects of the human capital valuation approach are investments in training and development (the valuation includes an analysis of the company's investments in training and development of personnel. This may include the cost of training programmes, workshops, seminars and other forms of professional development that enhance the competence of employees); staff retention costs (this includes salaries, social benefits, health insurance and other costs associated with retaining staff in the organisation); quantity and quality of the workforce (the assessment includes an analysis of the quantity and quality of the workforce in the organisation, including an assessment of the competence, experience and potential of staff).

The main advantages of this approach include strategic planning (it helps organisations to carry out strategic planning of personnel development and rationally allocate resources), staff motivation (reflecting the value of employees can be an incentive for their more active contribution to the company's development), and productivity assessment (it allows assessing the impact of investments in personnel on productivity and efficiency).

The results of human capital valuation can be used in such areas as budget planning (based on the valuation, budgets for training and development of personnel can be developed), management decision-making (the results of the valuation can be used to make decisions on the development of personnel management strategies and resource allocation), monitoring and performance improvement (tracking changes in the value of human capital allows organisations to adapt their personnel management strategies and methods to achieve better results).

Thus, the human capital costing approach is an important tool in measuring the effectiveness of HR management. Given the importance of personnel as a key resource, this approach allows organisations to better understand and evaluate the contribution of employees to the achievement of strategic goals.

The approach of an assessment and reward system is based on determining the effectiveness of personnel management by assessing the performance of employees and rewarding them for their achievements. This may include performance-based remuneration systems, bonus programmes, bonus systems, etc. This approach helps to increase employee motivation, productivity and efficiency of the entire team.

When implementing an evaluation and reward system, it is important to consider the objectivity of the evaluation criteria, transparency of the evaluation and reward process, and fairness to avoid conflicts and distrust in the team. In addition, it is important to constantly improve the system, taking into account changes in the internal and external environment of the company.

The main advantages of such a system are that it allows you to clearly define the criteria for evaluating employees, encourages them to achieve their goals, and helps to develop and increase

employee motivation. It also helps to plan employees' career development, retain talented employees and increase their productivity.

The role of the appraisal and reward system is to assess performance (determining the level of contribution of each employee to the overall success of the organisation and identifying the strengths and weaknesses of the staff to plan their development), motivate (encouraging better performance by rewarding the achievement of goals, increasing the level of engagement and loyalty to the organisation), improve efficiency (improving the overall productivity and effectiveness of the organisation, optimising the use of human resources).

There are many types of appraisal and reward systems used in organisations:

- Scale-based appraisal: a simple and straightforward system that assesses task performance against certain criteria.

- Competency-based appraisal system: a more detailed system that focuses on assessing employees' competencies and skills.

- 360-degree appraisal system: an assessment by various stakeholders, including managers, peers, subordinates and customers.

- Performance-based remuneration system: payment of remuneration for achieving certain KPIs.

- Bonus system: additional rewards for outstanding performance.

- Benefits system: offering additional social packages and benefits, etc.

When choosing an evaluation and reward system, it is important to consider the following factors:

Organisational goals. It should be clear what the organisation wants to achieve with these systems.

The size and the type of organisation. You should choose a system that is appropriate for the scale and specifics of the organisation.

The culture of the organisation. The values and principles that underpin the organisation's work should be considered.

Budget – determine the available budget for implementing and maintaining the system.

An effective performance appraisal and reward system is believed to have the following characteristics:

- clearly defined goals (understanding the purpose and objectives of the system);

- appropriate assessment methods (use of methods that provide an objective and accurate assessment of staff);

- fairness and impartiality (ensuring equal conditions for all employees);

- linkage to the reward system (motivation for better performance through rewards for achievements);

- feedback (providing employees with information about their performance and opportunities for development);

- regular review, updating and improvement of the system to reflect changes in the organisation.

Assessment and reward systems are powerful tools that help organisations achieve their goals, increase productivity and create a positive working environment. Their proper selection and implementation is a key factor in successful HR management.

This approach to measuring the effectiveness of HR management makes the management process more transparent and contributes to the achievement of the company's strategic goals.

One of the most widely used and effective approaches to measuring the effectiveness of HR management is the 360-degree feedback methodology. This approach provides an objective and complete picture of an employee's professional performance, involving feedback not only from his or her direct supervisors, but also from employees, subordinates, colleagues and other stakeholders.

The main principles and features of the 360-degree feedback methodology include

- multifaceted view: the assessment is carried out from different points of view, including managers, subordinates, colleagues and other stakeholders, which allows to get a complete picture of the employee's professional development and behaviour;

- anonymity: the participants of the survey provide their feedback anonymously, which contributes to an open and objective assessment;

- Consideration of various aspects: the assessment may include such aspects as leadership, communication, cooperation, decision-making ability, etc., which allows for a comprehensive assessment of the employee;

- feedback: after collecting feedback, the employee receives a return and the opportunity to analyse the information received, which helps to understand their strengths and weaknesses and take constructive measures for personal and professional development;

- wide application: the methodology can be used in various fields of activity, from business and management to education and medicine.

The benefits of using the 360-degree feedback methodology include the ability to obtain a more objective assessment of professional performance, promote personal development and improve teamwork. However, it is important to take into account the need for correct interpretation of the data and open communication between all participants in the process to achieve the best results.

These theories and approaches to measuring HRM performance help organisations evaluate and improve their human resource management performance to achieve strategic goals and increase competitiveness.

Human resource management involves creating human resource policies and procedures that support business objectives and strategic plans. Central to this mission is developing a culture that reflects core values and empowers employees to be as productive as possible.

It is important to remember the basic functions of human resource management. HR functions can vary depending on the industry, the size of the business and the types of employees hired. In most cases, the main goals are to acquire and develop talent and to improve communication and co-operation between employees. Other key human resource management functions include:

1. Job Analysis: identifying the skills and experience needed to do a job well can make it easier to hire the right people, determine appropriate compensation and create training programmes.

2. Human resource operations. Creating health and safety policies, responding to employee complaints, working with unions, etc. can help ensure compliance.

3. Performance measurement. Performance measurement is important because it not only promotes employee growth through constructive feedback, but also guides raises, promotions, and terminations.

4. Incentive programmes. Recognising achievements and rewarding top performers with bonuses and other perks is a proven way to motivate employees to take responsibility for achieving business goals.

5. Professional development: from orientation to advanced educational programmes, employee training helps increase productivity, reduce turnover and minimise the need for management.

The efficiency of personnel management can be defined as the level of achieving the objectives of the organisation through the optimal use of human resources. This means not only the efficient use of existing resources, but also the development of the potential of employees, their motivation and involvement.

The key elements of efficiency include:

-labour productivity: the direct impact of each employee's work;

-quality of work: compliance of work results with established standards and requirements;

- flexibility and adaptability: the ability to quickly adapt to changes in the external environment;

- innovativeness: the ability to generate new ideas and put them into practice.

The effectiveness of HR management depends on many factors, including:

1) corporate culture: the values and norms of behaviour in an organisation have a significant impact on employee motivation and productivity;

2) motivation system: the efficiency of staff directly depends on the system of rewards and incentives;

3) leadership and management style: the style of leadership has a significant impact on the team atmosphere and the efficiency of task performance.

Rapid organisational changes and changes in management principles imply an increase in staff efficiency, higher quality of goods, better customer service, and a creative and innovative attitude to performing functional duties. The principles underlying HR management are also changing. In modern research, scientists include the following methods to innovative methods of personnel management [21]:

- 1) recruitment is the careful selection of applicants for a position in order to get the best employees who will help the company develop;
- 2) performance appraisal is the process of establishing equivalence between the requirements of the position and the characteristics of the employee;
- 3) staff training is the improvement of staff qualifications through trainings and seminars;
- 4) reward system is the motivation of personnel by means of incentives and rewards;
- 5) career management – achievement of goals in career growth. Thus, personnel are the driving force for solving problems of economic development of an enterprise and its effective functioning and competitiveness.

The strategic goal of personnel development management is achievement of organisational and economic efficiency of personnel development management in the context of efficient operation of an enterprise, and it is important to establish the efficiency criterion, the level of achievement of which is checked at the «output» of the mechanism.

The decomposition of the strategic goal of personnel development management is carried out in the formulation of tasks, among which the following are distinguished:

- determination of the main conditions for staff development, characterised by the influence of a number of factors, the state of the enterprise depending on the stage of the life cycle, a set of tangible and intangible resources, management efficiency, and the social and psychological maturity of the staff;
- identifying the density of the relationship between personnel development and the life cycle of an enterprise, which is manifested in the establishment of certain trends depending on the stage of the cycle. Thus, according to the research of Smirnov E. O. [2], the life cycle model includes creation, growth, stabilisation, decline and liquidation of an enterprise. The management policy in the field of development management will be based on the available tangible and intangible resources, the market position of the enterprise, strategic opportunities and guidelines, etc;
- raising the level of vocational guidance and adaptation of personnel as an effective way to choose a profession in accordance with physical, mental, intellectual, psycho-emotional characteristics of a person and peculiarities of his/her adaptation to the specifics of production, economic and social aspects of the enterprise's activity;
- identification of the professional and competence level of the personnel in accordance with the requirements of the enterprise and the position they hold on the basis of personnel assessment using a number of methods (for example, certification, interview, questionnaire, pairwise assessment, BARS method, testing, assessment by goals, etc.);
- development of a system of motivation of employees to work, which involves identification of such forms and types of incentives for each category and professional qualification group of personnel, which takes into account individual personality traits, specifics of work in a particular position, financial and economic capabilities of the enterprise and promotes close relationship between the specifics of incentives and the final results of work. This means achieving such an effect of the motivational policy that, with the least effort and resources, the highest labour productivity, reduction of defective products, and increase in the level of rationalisation as an indicator of labour and production innovation can be achieved;
- Improving the professional and competence level of staff through initial training, retraining and advanced training in educational institutions of various accreditation levels and on our own;
- ensuring career development depending on the professional and competence level and individual characteristics. Career growth is an element of the personnel development system that clearly demonstrates the employee's life and professional achievements, but under certain conditions – in close connection with the company's activities;
- the development of information, methodological and software for personnel development, which is carried out in the context of the development of the information and intellectual society and involves

the use of the latest information Internet technologies, as well as approaches to the selection and development of training programmes, their payment, subsidisation by the enterprise, and measurement of efficiency [11].

The tasks are implemented on the basis of compliance with certain principles that are closely related to the laws, but do not exist objectively in nature, and are created in the process of systematising knowledge. The principles should correspond to the general concept of management and its constituent elements: goals, methods, means and influences, as well as rules of action of the subject and object of personnel development management.

An ambiguous interpretation of the specifics of the set of principles complicates management and leads to the choice of strategies that are inadequate to the existing conditions. Solving these problems will allow choosing optimal models of personnel development, which will simplify the process of interaction between the object and the subject. The specific principles of personnel development management include the following: scientific, functional, cost-effective, adaptive, comprehensive, responsible, fair, innovative, two-vector, and continuous [1].

The basis for the formation of the mechanism's action is the management functions, which must be clearly defined and defined. Functions determine the type of management activity, regardless of the place of their manifestation, that is, from the enterprise, the nature of its activities, location, scale of activity, etc. In the process of operation of the personnel development management mechanism, it is important to take into account the following functions: the function of knowledge production; educational function; function of resource allocation; function of innovation; function of alignment of goals of employees and the enterprise [1].

The implementation of functions determines the list of actions that must be carried out by the management subsystem in order for the functioning of the managed subsystem to lead to the achievement of socio-economic efficiency of the enterprise. The choice of models of personnel development is based on the use of historical experience of personnel management, with this in mind, the following are proposed [1]: technocentric, bureaucratic, sociocentric, participatory, knowledge-oriented.

In general, the qualitative development of society should be achieved through the interconnection and interaction of economic and social factors. Positive experience in combining them is demonstrated by countries that implement a social market economy model, the main idea of which is to reconcile the principle of market freedom with the maintenance of social harmony.

Social factors influence the economy through the social organisation of society and human capital. The level of social organisation is determined by a qualitative assessment of the functioning of the system of social institutions, the nature of social mobility, motivations and interests.

Thus, the basic prerequisite for economic development and a new quality of economic growth is the increase in human capital, which is achieved by modernising the entire education system, bringing its quality closer to EU standards and the needs of the internal development of the state and society. The state must create equal and broader opportunities for quality education, regardless of income and financial status of families. It is necessary to create an environment in which the social status of a person is determined by the level of education, knowledge and skills acquired and used in practice.

Human capital development processes are closely linked to economic and innovation processes in society, the results of which lead to changes in the country's social sphere. Highly educated, creatively fulfilled employees are the source of new developments, inventions, and other intellectual property. This, in turn, determines changes in the innovation process of society, the result of which affects the formation of a high-tech structure of national production, is an important source of income for the population, ensures growth in GDP (the gross domestic product) and export potential, and reduces production costs, which ensures not only the development of economic sectors but also the qualitative transformation of the entire society.

At the micro level, it is necessary to create an effective mechanism for implementing the socio-economic development of enterprise personnel, which will create the necessary preconditions for transformational changes. In recent years, the problem of economic and social development of economic systems at different levels has become increasingly interesting to economists.



Development is a directed, natural change of matter and consciousness. There are two forms of development: evolutionary – gradual quantitative and qualitative changes; revolutionary – abrupt transition from one state of matter to another. The transition of the lower to the higher and vice versa determines the existence of progressive and regressive development.

In general, the development as a process is determined by the following factors: changes in the external environment (economy, politics, culture, etc.); changes in the internal environment (technological equipment of production, movement of employees, changes in the principles and mechanisms of management, etc).

The development is based on the laws of ontogeny, proportionality, laws of competition, economies of scale, etc. The law of the development is revealed through the achievement of the greatest total potential by the material, organisational, economic and production system during the stages of the life cycle. The principles of this law are:

- 1) the principle of inertia – changes in the system's potential begin some time after the impact of external and internal forces and continue for some time after their termination;
- 2) the principle of elasticity – changes in the system's potential are determined by the potential itself, its technical, organisational, cultural and other characteristics;
- 3) the principle of continuity – changes in the system's potential occur continuously, but their speed and the direction of change;
- 4) the principle of proportionality – the system potential can be increased by an amount that exceeds the investment to ensure the proportionality of processes by eliminating bottlenecks [8].

In terms of staff development, development is the result of the introduction of organisational structures, methods, processes and resources necessary for the effective implementation of current and future production tasks and for the optimal satisfaction of employees' needs related to self-realisation, professional training and career [9]. D. Novikov speaks of the hierarchy of enterprise personnel development: individual development – collective development – personnel development – organisational development. The processes of personnel development are defined as:

- staff adaptation;
- the process of adapting the team/employee to the conditions of the external and internal environment of the organisation;
- staff motivation;
- creation of conditions and incentives for self-development (including, first of all, the use of a motivation system that stimulates the disclosure of employees' capabilities, their professional growth and self-development);
- staff training (including in-house training, advanced training, retraining, etc.);
- personnel promotion (career management, including career planning, preparation of a reserve, etc.).

The economic development, as defined by D. Yevdokimova, is a dynamic multivariate cyclic process that has a spiral shape and is manifested through quantitative and qualitative changes in the structure of the system while maintaining its integrity, and whose sustainability is ensured only if it is controlled by the system above [10].

The economic development of society is a multifaceted process that includes economic growth, structural changes in the economy, improvement of living conditions and quality of life. Various models of economic development are known (the model of Germany, the USA, China, Southeast Asia, Japan). However, despite their diversity and national peculiarities, there are common patterns and parameters that characterise this process. According to the level of economic development, there are developed countries (USA, Japan, Sweden, France, etc.); developing countries (Brazil, India, etc.), including the least developed (mainly the countries of Tropical Africa), as well as countries with economies in transition (former Soviet republics, Central and Eastern Europe, China, Vietnam, Mongolia), most of which occupy an intermediate position between developed and developing countries.

In general, the economic development of a society is a contradictory and difficult to measure process that cannot occur in a straightforward, ascending manner. The development itself is

characterised by unevenness, including periods of growth and decline, quantitative and qualitative changes in the economy, positive and negative trends.

Social development of society, according to M. Gorin, is a complication of the social structure of society that arises as a result of people's activities to create conditions for their own development, to meet the fundamental needs of society and the social groups that make up it, and not as a goal or consequence of someone's will [1]. M. Gorin defines the tasks of social management in accordance with the classification of needs according to the theory of A. Maslow.

O. Pshenychna offers the following definition of the concept of «a social development» – a multidimensional concept that includes a number of indicators that characterise the conditions, nature and content of work, team structure, incentives to work, satisfaction of social, physical and spiritual needs of employees, moral and psychological climate in the team, social activity, etc. [7, p. 168].

Social development, according to N. Ivanitska, is the process of providing employees with social guarantees of labour, opportunities for self-realisation in their social and living conditions, constant motivation to increase labour productivity [3]. The scientist proposes to define the following as components of social development: improvement of professional qualification of employees; improvement of working conditions; health protection of enterprise personnel; provision of recreation; increase of remuneration; improvement of living and living conditions of employees; organisation of cultural events; organisation of social insurance; assistance in lending to personnel; management of conflict situations; ensuring self-realisation.

The emergence of the concept of «a socio-economic development» is associated with the process of repeating the already passed stages of historical development, but the repetition is different, at a higher level of spiral movement, with a new quality, revolutionary, associated with the global development process and the way of production [11], that is, the extraction of material goods necessary for people for personal and industrial consumption.

According to T. Kalinescu and O. Hrychyshkina, the socio-economic development of an enterprise is a set of quantitative and qualitative changes that ensure the transition of an enterprise to a higher socio-economic level. These include: growth of production and labour productivity, improvement of product quality, efficiency of the enterprise, growth of staff welfare, improvement of their qualifications and professionalism, reduction of staff turnover, increase of employees' interest in the results of their work, etc [5, c. 68].

V. Zalutskyi understands the socio-economic development of enterprises as changes in social and economic indicators under the influence of the implementation of decisions on the use of socio-economic potential [2], in other words, he connects the achievement of socio-economic development with the results of the relationship between socio-economic potential and decisions of managers on its use.

It is well known that efficiency is the ratio of results to costs incurred to achieve them. Efficiency is the basis for the existence of both the economy as a whole and a single entity (enterprise, organisation, person) and its field of activity. Its types differ mainly in the variety of results obtained from economic activity, which allows us to distinguish between social and economic efficiency. It is the economic and social effects that determine the effectiveness of economic activity.

The social effect as a result of economic activity is considered to be a social outcome manifested in the increase of new jobs and employment, improved working conditions, living conditions, environmental conditions, general life safety, etc. The level of social efficiency of the enterprise's activity expresses the degree of satisfaction of the needs of the staff and other stakeholders, which are formed on the basis of their value orientations.

Thus, the socio-economic efficiency of enterprises is determined by the ratio of socio-economic results (effects) to the costs incurred to achieve them. The socio-economic effect is the achieved result in the economic and social processes of enterprises, which is manifested in an increase in the level of economic indicators and satisfaction of social needs of stakeholders belonging to the internal and external environment. The latter is associated with the implementation of the concept of socially responsible activities, which is key to doing business in the current economic environment. The key place in it is occupied by relations with personnel, directions and scope of the enterprise's social policy, which is determined by a group of factors, including: the scale of activity, profitability of the enterprise,

the level of competition in the labour market, the need to retain and develop personnel, business development needs, image policy, etc. Implementation of the concept of social responsibility by enterprises proves their readiness to take responsibility not only for compliance with laws and provision of quality services, but also, firstly, for the fate of employees, providing them with the necessary living and working conditions, carrying out their development, material and moral incentives, and, secondly, for the welfare of other members of society, implementing environmental and innovative measures, social programmes, etc.

In the context of the concept of corporate social responsibility, the term «triple bottom line» has been coined, meaning a balanced system of company performance in three interrelated aspects: ensuring profitability, environmental care and social programmes. In this system, the components of sustainable development are economic, environmental and social.

Thus, we understand the socio-economic development of an enterprise as a process that includes the stages of ensuring, organising and servicing development, which results in quantitative and qualitative changes in the social and economic processes of enterprises, enabling their transition to a higher socio-economic level, characterised by an increase in socio-economic efficiency and competitiveness.

The socio-economic development of the personnel of enterprises is a process of qualitative improvement of the social and economic component of the personnel's life, which is ensured by their own efforts and actions of the management of enterprises, which operates in compliance with the legislation on the principles of socially oriented management. This definition emphasises the crucial role of the enterprise in solving the socio-economic problems of its staff, but does not lose sight of the need for the staff to take their own actions to ensure the socio-economic efficiency of the enterprise. In other words, we are talking about positioning the personnel in the enterprise mechanism as its integral part, on whose activities and efforts depend the results of economic activity, image formation, and achievement of competitiveness. This requires continuous self-improvement, dedication to achieving the strategic goal of the enterprise, etc.

Thus, the main requirements for employees, which allow them to be considered as part of the enterprise, are as follows: discipline; accuracy of tasks; availability of necessary knowledge; speed of tasks; responsibility; health control (degree of control over health and other impact on the work process); business relations in the team, ability to interact in the team; achievement of results (degree of persistence in the desire to achieve results); personal relations in the team; ability to assess the situation and make decisions; activity at work; self-improvement (improvement of skills, level of knowledge, etc.); understanding of the company's tasks and goals, applying efforts to achieve them; focus on increasing profits (the degree of effort applied to develop the company's efficient operations, approach to work taking into account the need for profitability).

Conclusions. The effective formation of a personnel development system is possible when its elements are structurally defined, subordinated to each other and to the system's objectives, principles, methods, laws and regularities of their formation are defined, the need for its creation is substantiated, the initial goal and the result of functioning of such a system are determined, which is possible provided that an organisational and economic mechanism for managing personnel development is built. Given the complexity of the issue under consideration, it is advisable to trace the main scientific views on focusing on certain aspects of the mechanism, outlining the contours of its operation, rules and methods of its construction.

When defining the forms and methods of personnel development, it should be noted that the form is a way of existence of the essence of the model, which serves as its expression, and the method is a sequence of actions that lead to the desired result. It is generally accepted that the forms of staff development can be divided into two: on-the-job and off-the-job. In the context of each form, there is a certain set of methods aimed at achieving results in a certain way. The methods used in the workplace include the following: mentoring, apprenticeship, rotation, instruction, and self-study. The list of methods outside the workplace is longer and includes: lectures, practical classes, modelling, training, coaching, seminars, role-playing and business games, round tables, conferences, symposia, etc. The mechanism is effective when the interaction of the managing and managed subsystems of staff

development under the influence of external and internal organisational factors leads to the achievement of socio-economic efficiency of staff development management. A special place in the work of the mechanism is occupied by the definition of the criterion of organisational and economic efficiency of staff development management, which is the direction of further scientific and empirical research of the author. Taking into account the peculiarities of the mechanism is a complex process that requires not only managerial art, but also correctly formulated goals and objectives in a changing external environment, which is currently characterised by crisis phenomena in almost all spheres of the national economy.

The various methods are used to assess the effectiveness of personnel management, including:

- analysis of key performance indicators: setting and measuring specific indicators that reflect the performance of employees;
- assessment of return on investment in personnel: calculation of the economic effect of investments in personnel development;
- questionnaires and surveys of employees: collecting feedback to identify weaknesses in HR management.

To summarise all the above, the socio-economic development of the personnel of enterprises is proposed to be considered as:

- firstly, a prerequisite for ensuring the socio-economic efficiency of enterprises;
- secondly, a factor of competitiveness of enterprises;
- thirdly, the strategic goal of enterprise management;
- fourth, the principle of socially and economically responsible activity of enterprises.

Thus, the carried out study allowed to formulate theoretical aspects of the socio-economic development of the personnel of enterprises. Prospects for further research by the author are the application of a programme-targeted approach to managing the socio-economic development of the staff of enterprises.

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