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Determining Factors of Influence on Efficiency of Management of Administrative and Managing Personnel of Enterprises and Organizations

Mykola Ivanovych Koval [α] & Anatolii Serhiiovych Benzar [σ]

Abstract- **A qualitatively new level of development of industrial relations in the modern market conditions of management requires the adequate use of innovative management technologies. The emergence of new socio-economic relations in a globalized economy requires another methodological substantiation of the methods of effective influence, first of all, on the work of administrative and managerial personnel of enterprises and organizations. Such an impact on improving the efficiency of management of both administrative and managerial personnel of enterprises and personnel in general is carried out by economic, social and institutional factors.**

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I. Introduction

In modern market conditions one of the important long-term advantages of any enterprise or organization, are human resources, namely: personnel and its work ethics, knowledge, skills and abilities, high qualification and the desire to realize the goals, appropriate value system. Today, as always, the achievement of proper management efficiency depends on the rational use of personnel. A qualitatively new level of development of industrial relations, which influences the efficiency of management of administrative and managerial personnel, is achieved through the use of promising technologies of innovation management. Fundamentally new management mechanisms began to appear and completely different social ties and forms of social relations in production were developed.

Paying tribute to the achievements of the classical management theory, it should be noted that the emergence of qualitatively new socio-economic relations requires a different methodological substantiation of the methods of effective influence on the effectiveness of personnel management. So far, in the current practice of personnel management, the mechanisms of factorial human resource management are still not fully understood. The low average level of development of social and labor relations, as well as a one-sided shift in emphasis on obtaining economic results, and aimed only at high profits, by reducing personnel costs, have a negative impact on the effectiveness of human resource management of the enterprise.

The theory and practice of management in above-mentioned issues contemplates a meaningful study of this problem by identifying the determinants of influence on the efficiency of management of administrative and managerial personnel. The urgency of the problem and its significance for improving management efficiency, as well as its insufficient development, determined the choice of the topic of this article.

II. Literature Review

Determining factors of influence that cause effective management, as noted by Ukrainian scientists M. Doronina, S. Izvekova, A. Voronkova, A. Kolot, M. Pysmenna, O. Zdravomyslov, can be divided into two main groups – economic and social. And at the same time, the latter acquire practical significance as well as increasing relevance. Since human presence in production is a prerequisite, these factors demonstrate the best ways to solve certain problems of personnel and contribute to the future development of an enterprise or organization as a whole.

Thus, the economic factor of influence on the efficiency of management of administrative and managerial personnel is, above all, the system of material incentives and material responsibility as well as the problems of their improvement. Such improvement of the system of material incentives for employees of enterprises and organizations should be focused on the unconditional fulfillment of the company's contractual obligations and should be accompanied:

a) By the orientation of production towards a more complete satisfaction of the needs of the population in specific types of goods, works and services of high quality;
b) By the orientation of production to achieve high results;
c) By solving the problem of strengthening discipline at all levels of the enterprise;

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d) By ensuring the optimal combination of personal and collective interests of personnel with general production interests in the unconditional fulfillment by the enterprise of its contractual obligations.

That is why, in the complex structure of each enterprise or organization, as an economically active subject of production, administrative and managerial personnel is of key importance in the implementation of all functional processes, which later turn into quantitative indicators of the growth of working productivity and the financial efficiency of an enterprise. Therefore, in the system of measures taken to improve personnel management, it is unacceptable to neglect or underestimate such an important factor as the creation of an effective system of material incentives and material liability of personnel. The same in the system of measures to improve the management of the personnel of the enterprise is unacceptable disregard or underestimation of such an important factor as the creation of an effective system of material incentives and material liability of the staff.

Similar conclusions regarding the above economic factors that affect the efficiency of management of administrative and management personnel can be made by analyzing the work of M. Pysmenna, where the author advise to domestic business "to use fair monetary remuneration, to give stuff appropriate authority and responsibility, awaken interest to the work, to provide opportunities for personal growth, to form the sense of belonging to an organization and to form a spirit of cooperation and corporate culture" [6 p. 381].

Another famous scientist S. Izvekova notes in her research that "administrative and managerial personnel must clearly identify the needs of their subordinates and understand how they can really improve the level of motivation before introducing innovative technologies to motivate personnel" [3]. Therefore, ignoring such identification of personnel's needs, in our opinion, can lead to the fact that after performing large efforts to introduce innovative technologies to motivate personnel, labor productivity will remain unchanged at best.

III. Methodology

To achieve the goal of the research, general scientific methods and methods of cognition were used during the course of the study, namely: analysis and synthesis of various points of view of researchers on the subject of research, their generalization and detailing, research on the causal relationships of industrial and socio-economic relations, phenomena and processes in the historical aspect and others.

IV. Result and Analysis

As practice shows, an important prerequisite for observance of the principle of objectivity in the formation of innovative levers of influence on the efficiency of management of administrative and management personnel through a system of motivating personnel in enterprises or organizations is the use of staff wage surveys and compensation packages. This is stated by researcher P. Bilmovych in his paper "Salary Surveys: How to Make the Right Choice". According to the scientist, due to such surveys, managers of enterprises and organizations are able to obtain objective information on the comparison of the level of actual wages in the company with its average market level in one or another field of the economy, about the formation of optimal compensation packages within the framework of motivation technologies and annual budgeting of the enterprise, as well as setting priorities in the formation of personnel management policies in general" [1, p. 18].

On the basis of the above we can conclude that economic factors have a positive impact on the efficiency of management of administrative and managerial personnel of the company and directly determine the potential ability to effectively develop an enterprise or organization. That is, the presence of professionally trained and active professionals who have a proper system of material incentives and liability, is one of the important factors that affect the efficiency of management of the administrative and management personnel of enterprises or organizations. In the case of proper use of economic factors, the final result of the financial and economic activity of the enterprise ends with obtaining highly profitable products of good quality.

In addition to economic factors, as noted by a number of scientists, there are a number of social or socio-psychological factors influencing the management efficiency of administrative and managerial personnel, which contribute to build positive relationships between team members, to meet social and spiritual needs and to increase the activity and initiative of employees, creating favorable socio-psychological climate in the team and the team style of behavior of each individual in the composition of this team.

Social factors influencing the effectiveness of management are based on the characteristics of workers and the cultural norms and values prevailing in their environment, as well as forms of communication. Thanks to them, the management of relationships in the team and between teams is carried out, because the person is at the center of any management concept. The social factors include: factors of social regulation (social planning, customs and traditions, exchange of experience, criticism and self-criticism) factors of social rationing (professional codes of honor, internal regulations, statutes of public organizations, rules of professional ethics and etiquette, forms of disciplinary action); moral incentives (announcement of gratitude, awarding state or departmental awards, recognition of the best in the profession (specialty), awarding honorary

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titles, provision of additional social benefits (additional leaves, tourist vouchers, etc.).

According to the scientist Zakharchyn H. M., "any economically active, transformational processes in the present conditions of internationalization and global cooperation are carried out by people who are endowed with individual socio-cultural characteristics, have their own system of values and norms of conduct" [2].

So, as the author points out, with which we agree, motivation is one of the leading instruments for improving management, since the achievement of the main goal of any business structure depends on the coherence of the work of the people who work there, and on their interpersonal relationships. Each effective manager tries to persuade subordinate employees to work better, to awaken their internal efforts to work actively, to maintain interest in the result of labor, and to initiate the satisfaction with the results of work. It is also important that employees seek to achieve the goals of the enterprise or organization voluntarily and creatively. However, in practice, there is often a picture of inappropriate application of motivation systems, and as a result, there is a high turnover of staff, low performance of staff. However, it is necessary to apply not only material motivation, but also moral, as a mutually complementary pair category, since the influence of social factors on the management efficiency of administrative and management personnel, along with economic ones, is very significant.

The efficiency of modern enterprise management depends not only on the methods of personnel motivation that managers use, but also on the principles they follow, since their correct choice ensures the achievement of the desired result with less effort. The principles of personnel management are the basic rules, regulations and norms that should be followed by managers and specialists in the personnel management process.

Domestic scholars V. A. Ruliev, S. O. Hutkevych, T. L. Mostianska define the principles of personnel management as a set of fundamental rules for managing people, the consistent observance of which is an indispensable condition for achieving current and future goals by the organization [7].

Another scientist – K. Levin, on the basis of test studies, formulated several styles of company management. The first style is autocratic (authoritarian), when the leader decides and acts himself, and does not participate in the implementation of decisions, but only authorizes and controls the actions of subordinates. The second style is democratic, when the leader allows subordinates to participate in decision-making and determining how to accomplish tasks, and the group independently assesses the results of its work. And the third style is passive, when the manager does not interfere in the processes of production and management, decisions are made without a clear understanding of the course of events, and the manager does not express his work assessment to subordinates [4].

In our opinion, the results obtained by K. Levin were not unambiguous, since the workers worked more efficiently under the authoritarian style, but felt happier with a democratic leadership. Later studies have shown that the psychological type of manager for an employee weighs less than the environment in which he directly works (structure of organization, rules of the game, distribution of roles and responsibilities), where the style of management depends on the nature of the organization itself.

Analyzing the results of research by scientists, we can conclude that, unlike in times past, when people with dictatorial inclinations were considered to be the best managers, today the requirements for managers have changed dramatically. The old system of thinking was fundamentally aimed only at obtaining maximum profit. The new system of thinking already operates with such a concept as equilibrium, corresponds to a state of society in which the satisfaction of its current needs should not reduce the chances of future generations for a decent life. Thus, the modern psychology of management sees in the personality of a manager not only his managerial needs and abilities, but also his individual humanistic management concept, which guides the team towards the realization of the set goal.

The unity of the factors of economic and social impact on the work with personnel is unanimously recognized by all experts. When they are taken into account, the following principle should be respected: when making any decision in the field of management of administrative and managerial staff both economic factors and social needs and interests of employees of an enterprise or organization must be taken into account simultaneously.

We believe that the effectiveness of managing administrative and managerial personnel can be increased by using not only economic and social factors of influence, but also taking into account the influence of institutional factors, because in the management system of the enterprise important role is assigned to the management of personnel behavior. In fact, the behavior of the staff is one of the main indicators of the attitude of employees to the enterprise, their creative activity, the desire to self-improvement in order to ensure the competitiveness of the enterprise and increase its intellectual potential, which directly affects the effectiveness of management of administrative and managerial personnel.

By the definition of the institutionalist D. Nort, the institutions are "the rules of the game of society, or, more precisely, restrictions that direct human interaction in a certain direction and structure incentives in the exchange process" [5, p. 198]. The substantive content of the institutions are the rules that determine the

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behavior of people in a particular environment. In this case, it refers to a person who is involved in social relations. A person begins to accept certain rules, norms of behavior, which to a certain extent limit its freedom of action.

The rules stipulate the way of relations among the personnel of the enterprise, form the environment in which these relations occur. The rules are transformed into the principles of behavior, behavioral settings, which, under the condition of well-thought-out management policy by administrative and managerial staff, can become a model to follow, borrow, copy, which is important to use in the management system of personnel behavior.

Without a doubt, now there is an objective need in use of institutional factors to influence the efficiency of management of administrative and management personnel and organization through management of personnel behavior.

The culture of interpersonal relationships characterizes the qualitative state of behavioral attitudes of the personnel of the enterprise, psychological comfort in the team and team commitment to work towards a common goal. Since the institutional factors of influence envisage the transformation of social intentions, the norms of behavior, enshrined in the relevant internal regulations, the rule-making process within the enterprise is also the semantic content of this institution.

During a financial crisis, under the threat of bankruptcy, any enterprise or organization should have a team of specialists on adaptation and crisis response, which should perform the function of adapting personnel to the external environment when managing an enterprise. The main goal of such a group is not only to successfully counteract crisis phenomena, but also to develop an active position aimed at managing changes and using them with a positive result. In order to facilitate the adaptation process, such a group should develop rules on adaptation, which will display the value orientations of the enterprise personnel's behavior and the standard parameters associated with the selection of candidates for relevant position of crisis managers; assessment methods and personnel certification; motivational levers of influence on personnel behavior; system of sanctions; personnel training technologies; standards for business documents; questionnaire samples with problematic issues that concern personnel, etc. At the same time, the rules on adaptation are additional document in the Corporate Culture Code, in which values, the system of relationships and rules of conduct, rituals, and traditions are described in accordance with the philosophy of the enterprise, and this ensures a systematic approach to personnel adaptation.

Thus, through the system of norms, rules, regulations, an internal institutional environment of an enterprise is formed, which has its own structure and organizational and methodological support, and allows administrative and managerial personnel to regulate and coordinate personnel behavior through a feedback system, and which becomes the determining factor influencing the effectiveness of personnel management.

V. Conclusion

Based on the above, it can be concluded that the effectiveness of the functioning of administrative and managerial personnel and the personnel management system as a whole can be improved by using the determining factors of influence, as well as feedback, timeliness and completeness of information about its activities, taking into account socio-psychological qualities as managers and subordinates. Economic and social factors are the determining factors influencing the efficiency of management of the administrative and management personnel of enterprises and organizations, but to a large extent the effectiveness of personnel management directly depends on the influence of institutional factors. Therefore, an important condition for the effective activity of the administrative and management personnel of enterprises and organizations is the comprehensive development and application of such management tools, using the above determining factors of influence, will be able to provide a real socio-economic impact on all personnel of an enterprise or organization.

Further research in the field of improving personnel management efficiency should be carried out in the direction of developing and implementing at each enterprise such personnel policy that ensured the proper continuous intellectual and psychophysical development of personnel, their creative potential, capable of solving the urgent needs of each enterprise or organization.

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