Oksana V. Achkasova¹, Lidiia O. Mazhnyk² INNOVATIONS IN PERSONNEL MANAGEMENT OF DOMESTIC ENTERPRISES: TRENDS AND SPECIFICITY

In the present article the expediency of innovations implementation in personnel management at domestic enterprises is proved. The analysis of current trends in HR innovative activity has been undertaken and specificity of innovations in personnel management at Ukrainian enterprises has been determined. The ways of fostering enterprises innovative activity in HR field are grounded. Keywords: personnel management; HR innovations; fostering innovative activity. JEL classification: J24; M12; O31.

Оксана В. Ачкасова, Лідія О. Мажник ІННОВАЦІЇ В УПРАВЛІННІ ПЕРСОНАЛОМ ВІТЧИЗНЯНИХ ПІДПРИЄМСТВ: ТЕНДЕНЦІЇ ТА ОСОБЛИВОСТІ

У статті обґрунтовано доцільність здійснення інновацій в управлінні персоналом вітчизняних підприємств. Проведено аналіз сучасних тенденцій в інноваційній діяльності у сфері управління персоналом та визначено особливості кадрових інновацій українських підприємств. Обґрунтовано напрямки активізації та прискорення інноваційної діяльності підприємств у сфері управління персоналом.

Ключові слова: управління персоналом; кадрові інновації; сприяння інноваційній діяльності. **Рис. 2.** Літ. 12.

Оксана В. Ачкасова, Лидия А. Мажник ИННОВАЦИИ В УПРАВЛЕНИИ ПЕРСОНАЛОМ ОТЕЧЕСТВЕННЫХ ПРЕДПРИЯТИЙ: ТЕНЛЕНЦИИ И ОСОБЕННОСТИ

В статье обоснована целесообразность осуществления инноваций в управлении персоналом отечественных предприятий. Проведен анализ современных тенденций в инновационной деятельности в сфере управления персоналом и определены особенности кадровых инноваций украинских предприятий. Обоснованы пути активизации и ускорения инновационной деятельности предприятий в сфере управления персоналом.

Ключевые слова: управление персоналом; кадровые инновации; способствование инноваиионной деятельности.

Introduction. The current stage of the world economy development is characterized by countries' capacity to create and use knowledge, maintain and utilize their innovative potential effectively. This allows countries get competitive advantages and force their socioeconomic development. The greatest role in the process of national innovative system formation belongs to industrial enterprises. But under current difficult conditions of functioning, Ukrainian enterprises reduce financing innovations as such. The least attention among others is paid to HR innovations.

Scientists have proved already that human factor influences enterprises' development more than other production factors. So the implementation of HR innovations should be of highest priority direction in realization of innovative activities by domestic enterprises. It causes the need to research trends and specificity of innova-

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tions in personnel management of Ukrainian enterprises and elaborate the ways of boosting their innovative activity in HR sphere.

Latest research and publications analysis. Innovative activity and development of enterprise have been investigated by V.M. Grineva (2006), M.O. Kizim and V.S. Ponomarenko (2011), T.I. Lepeyko (2013), O.M. Yastremska and G.V. Vereschagina (2010) and others. However, current specificities of innovations in personnel management of domestic enterprises are not being completely covered, thus determining the topicality of this research issue and the need for its deeper study.

The research objective is to determine the current trends and the specificity of innovations in personnel management at domestic enterprises and to elaborate the ways of fostering their innovative activity in HR field.

Key research findings. Nowadays, domestic enterprises use some innovative technologies in different subsystems of personnel management system. These are:

- in recruitment subsystem "aggressive" method, headhunting, stress interview, selection on the basis of personal information from social networks, graphology, polygraph data etc.;
- in personnel motivation subsystem methods of labor humanization, participation in enterprise management, payments based on objectives and KPI, various grading systems, development and implementation of corporate culture, teambuilding etc.;
- in personnel evaluation and development subsystem using non-traditional social technologies, HR audit, competence approach, latest methods of education (training, coaching, e-learning, case study);
- in general and inline personnel management subsystem staff outsourcing and leasing, outstaffing, delegation of authority, rotation etc.;
- in personnel release subsystem outplacement, outstaffing, methods of psychological displacement;
- in subsystem of information support for personnel management system implementation and operation of automated IT of personnel management (Bala and Zub, 2013; Lymareva and Gorenko, 2013; Opalenko, 2010; Starceva, 2008).

It should be noted that innovative changes proceed not in all areas of economic activity. Enterprises in IT, services, food and textile industries are the most dynamic in implementing HR innovations because they test the newest HR methods and technologies first and use the most flexible methods of personnel management. But innovative activity in personnel management of huge enterprise in machine-building, metallurgical and chemical industries is complicated because it requires significant material and technical costs, complex approach to administration, technical and technological restructuring etc.

Investigation of industrial enterprises' innovative activity in the Kharkiv region in 2010–2014 shows that insufficient attention was paid to HR innovations by these enterprises. It demonstrates the absolute frequency of innovative activities implementation by enterprises in 2010–2014 determined basing on the data from statistical reports "№1-innovation" of industrial enterprises (Figure 1).

The enterprises were divided into three groups by the form of ownership and the share of capital. In each group the representative enterprises by the indicators of their financial and innovative activities were identified: from state enterprises — "Kharkiv

Plant of Transport Machinery", from private enterprises with domestic capital – JSC "Kharkivkholodmash", from private enterprises with foreign capital – JSC "Kharkiv Tractor Plant named after S. Ordzhonikidze".

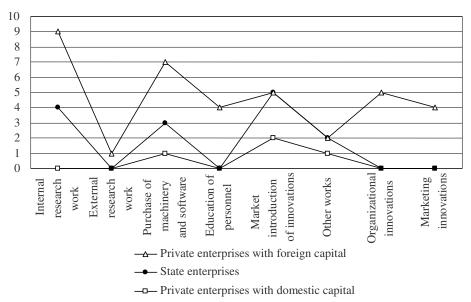


Figure 1. Distribution of industrial enterprises of the Kharkiv region by types of their innovative activity in 2010–2014, authors' construction based on statistical reports "№1-innovation"

The research has shown that private enterprises with foreign capital implement HR innovations the most actively. In particular, JSC "Kharkiv Tractor Plant named after S. Ordzhonikidze" during 2010–2014 has implemented such HR innovations as education of personnel and organizational innovations. But it should be considered that active introduction of such HR innovations requires quite a lot of funds. So these innovations can afford only powerful enterprises hawing specialists in training of highly qualified personnel such as state enterprises or private enterprises with foreign capital. Small enterprises instead of implementing HR innovations are forced to recruit personnel that meet new current requirements or encourage personnel to improve skills on their own and at their own expense. But usually this approach leads to increased staff turnover.

There are observed negative trends in innovative activity of personnel in general. Thus, the quality of personnel innovative activity is decreasing (Figure 2 confirms it), the absolute number of innovative personnel in enterprises is reducing (by 31450 in 2014 as compared to 2013). However, relative indicators were increased by 0.4% on average during 2010–2014 (State Statistics Committee of Ukraine, ukrstat.org). Nevertheless, it hasn't led to significant positive changes (Figure 2).

In general, negative trends in HR innovative activity of domestic industrial enterprises are observed. This causes the necessity to elaborate the ways of boosting and fostering enterprises innovative activity in HR field. Because HR innovations implementation at enterprises can provide additional competitive advantages through

increased performance and labor quality of personnel, increasing personnel motivation to innovative activity may improve the total efficiency of enterprises.

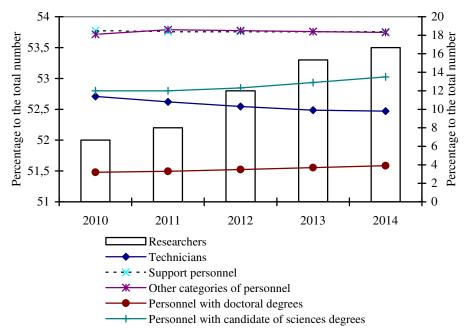


Figure 2. Quantity of employees in scientific organization in 2010–2014 by personnel category in % to the total number, authors' construction on the from (State Statistics Committee of Ukraine, ukrstat.org)

Here we recommended some actions for HR departments that can have a direct impact on innovation capabilities of enterprises:

- 1. Recruit innovative people. It is recommended to recruit people from different backgrounds with complementary skillsets, informal traits of curiosity and adaptability. For evaluating candidates' innovative abilities an approach based on competence management can be used. Nowadays, domestic enterprises only start the implementation of this approach, since it is labor and time consuming.
- 2. Performance and risk management. Well elaborated signals about innovation expectations should be consistently conveyed to each employee at an enterprise. Employees must understand that experiments are vital for enterprise development, they should be ready to take risks and accept possible repercussions of innovative approach or project. Nowadays, many domestic enterprises use different methods and tools in performance management (for example, KPI). But indicators which measure innovative activity are included only to assessment systems of particular enterprise departments and employees developing new engineering and rationalization proposals. For increasing the innovative activity of all employees it is recommended to incorporate proper indicators to the KPI set. With it, teams developing new innovations should be assessed by making progress, rather than the results of the experiments themselves.
- 3. Reward for innovations. The right rewards system is a powerful force for reinforcing commitment, directing employee professional growth and shaping the corpo-

rate culture to be more innovative. This activity is inextricably linked to preceding one because reinforcing the importance of innovation activity comes through the use of recognition schemes, performance indicators and risk management tools that encourage and inspire employees develop and share their ideas. It should be noted that some domestic enterprises have implemented reward schemes for innovations already, for example, JSC "Kharkiv Tractor Plant named after S. Ordzhonikidze".

- 4. Building personnel capacity. All employees should understand the unique skills and behaviors required to successfully innovate at their enterprise. Top management should also identify which roles, abilities and knowledge can drive the innovative value. For this it is recommended to conduct a proper survey.
- 5. Create the culture of innovation. To develop organizational culture that provides general collaboration, risk-taking, leadership support and trust. The ability to create, protect and build organizational culture is a critical role for HR to play, as it is the key driver for innovation. However, management needs to support, plan for and nurture innovative culture for innovations to be truly successful (Stanleigh, 2014).
- 6. Ideas management at all levels of employees. This activity is crucial for domestic enterprises because there is a huge problem of communication. For effective design and implementation of HR innovations the top management support is very important, as well as autonomy in innovative decision-making and recognition of proposed innovations at different level of management, overcoming personnel internal resistance to strategic changes.

These ways of fostering enterprises innovative activity in HR field do not require significant financial costs, so their realization is recommended at both large and small industrial enterprises in Ukraine.

Conclusions. The analysis of innovations specificity in personnel management of domestic enterprises and current trends in their HR innovative activity shows there are some negative trends in this area. Considering this, some ways of boosting and fostering enterprises innovative activity in HR field are recommended here. The proposed ways would have impact on innovation capabilities of enterprises and would allow getting competitive advantages through increased performance and labor quality of personnel, increasing personnel motivation for innovative activity and improving the overall efficiency of enterprise activity.

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