Regulation of Employees' Competitiveness on the Basis of Activation of Social Partnership

The need of intensification of a role of social interaction of employers, labor unions and public authorities for questions of support and increase of employees' competitiveness of the Ukrainian enterprises has been proved. The activation of a social dialog between employers and labor unions for the sake of saving labor capacity of the enterprises, increase of workers' competitiveness on the basis of modernization of workplaces, retraining of staff has been suggested.

competitiveness, crisis, globalization, labor unions, employers, partnership, labor potential, social protection, training, modernization

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Регулювання конкурентоспроможності найманіх працівників на основі активізації соціального партнерства

Обґрунтовано необхідність підвищення ролі соціальної взаємодії роботодавців, профспілок та органів державної влади в питаннях підтримки та підвищення конкурентоспроможності працівників українських підприємств. Запропоновано активізувати соціальний діалог роботодавців та профспілокних організацій заряд збереження трудового потенціалу підприємств, підвищення конкурентоспроможності працівників на основі модернізації робочих місць, перезнавання персоналу.

конкурентоспроможність, криза, глобалізація, профспілки, роботодавці, партнерство, трудовий потенціал, соціальний захист, навчання, модернізація

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Statement of the problem. World experience shows that in the conditions of globalization and prompt innovative development the managers of the enterprises are stimulated to take care of staff competitiveness, continuous up-dating of their knowledge, abilities, and competences. These new tendencies happen because people become the creators of innovations, future competitive advantages of the enterprises and corporations. Therefore the formation and support of competitive qualities of staff is not just a private affair in economically developed countries long ago. Experience of the socially oriented market economy countries shows that social partners – government, corporations, labor unions, political organizations, territorial communities are engaged in the solution of this problem. However the potential of social partnership in this direction is almost not used in Ukraine. The problem becomes aggravated in the conditions of system crisis in the country that threatens with deterioration of labor potential, lowering of employees' competitiveness.

Analysis of recent researches and publications. The staff competitiveness subject matter was interpreted in works of R. Fatkhutdinov, D. Bogunya, M. Semykina, L. Lisogor, N. Glevatska, etc. The same problems in the context of the labor potential development, social responsibility are systemically studied by A. Kolot, E. Libanova, O. Grishnova, E. Makarov, etc. The analysis of references concerning problem of employees' competitiveness control showed that use of the term "competitiveness" concerning the person as a subject of economic life is rather widespread phenomenon. At the same time the influence of social partnership on competitiveness regulation is still insufficiently studied. Those authors, who stop on the analysis of concept of competitiveness on the labor market, aren't definite in the statements. Often as a synonym to the concept "employees' competitiveness" are used such terms like "competitiveness of the person as a subject of economic life", "staff competitiveness", "competitive labor potential", "labor competitiveness" Despite the achievements in research of the competition, the single approach to the determination of employees’ competitiveness in Ukraine still does not exist that complicates practical application of mechanisms of formation and development of competitiveness at the enterprises. Therefore the determination of employees' competitiveness is still a topical problem.

Statement of the objective. The purpose of the article is to prove the methods of activation of partner’s social interaction for the sake of regulation of competitiveness of employees at the enterprises of Ukraine.

The main material. The analysis of literature shows that competitiveness as an economic category preferentially concerned goods, services, objects of managing, economy of the states until the end of the XX century and only rather recently it began to extend to employees of the enterprises.

Developing the scientific approaches of R. Fatkhutdinov, M. Semykina, L. Lisogor and other researchers, we suggest to treat the term thus: "competitiveness of employees of the enterprise" is an existence of competitive advantages in knowledge, abilities, skills, competences in comparison with employees of other enterprises which allow, on the one hand, to realize labor potential more effectively, providing the bigger income, improving the quality of labor life, on the other to promote the strengthening of enterprise's competitive positions on the market.

In our opinion, the competitiveness of workers always reflects the quality of labor potential which is most demanded in current market conditions. The estimates of the worker's competitiveness depend on economic sector, specifics of the enterprise, workplace, and region.

The competitiveness at the level of certain workers is formed under the influence of a set of factors – demographic, economic, political, cultural, mental, national, geographical which define the conditions of the personality's formation in the course of upbringing,
education, work, formation of interests, needs, motives of activities, purposes of achievements in work, self-realization, self-development.

The modern science tells about the opportunity and need of motivation of workers to increase own competitiveness. Thus the effect of such motivation as M. Semykina stresses, in many respects depends on lining of an effective social dialog between employers and hired workers (labor unions) thanks to which the purposes of the general activities, priorities of enterprise's competitiveness increase are coordinated with formation of long-time motivation of competitiveness in the labor sphere [6, p. 140-144]. Thus the formation of the competitive environment is not do influential, but the progressive character of the social and labor relations (as pledge of the honest competition), existence of corporate social responsibility for results of activities, staff development, the organization of a real social dialog are more crucial.

However the social partnership in Ukraine can't be defined as developed so far. The signing of collective agreements often happens formally, there is no basic monitoring over their execution.

The questions of employee's competitiveness of workers worry social partners a little in practice. Employers have mass of claims to labor quality, but thus are, as a rule, not ready to invest in its professional development, to create workplaces with a worthy salary. Instead of stimulation of aspiration to the continuous education, innovative activity, implementation of programs of continuous professional education developed by the social partners, we watch absolutely spontaneous processes of workers competitiveness formation. The majority of employers give the solution of this problem to workers. The labor unions activity is reduced, generally it concerns questions of social protection of workers against the system crisis in Ukraine, there is no mature responsibility of social partners for a status of competitiveness of employees of the enterprises, its regulation with combined forces [7].

It is fair to emphasize that the problem was strengthened by difficulties of transition of economy of Ukraine to the market relations, long economic, socio-political crises, the low level of corporate culture. Thus, instead of the implementation of programs of the continuous professional education of the personnel developed by the social partners, experts watch deterioration of labor potential, lowering of competitiveness of workers.

In the conditions of system crisis in Ukraine these processes became especially obvious. The demographic factors worsened a situation: as a result of birth rate decrease the enterprise experienced the reduction of influx of young labor force, a phenomenon of "staff aging" became noticeable. The dominating age of staff is higher than 50 years, this certainly is reflected in personnel competitiveness. It is necessary to consider that workers of a pre-retirement and retirement age possess lower activity, mobility, a susceptibility to innovations, are often less ready to development and deployment of innovations. Programs of development of workers of advanced age at the enterprises are extremely rare. In turn, the outdated material basis of the enterprises, absence of own funds for purchase of the new equipment and technologies caused unattractiveness of workplaces for youth at the majority of the industrial enterprises [2; 8; 4].

The inconsistency of interaction of the labor market and market of educational services due to the absence of the interested investment into education from the state and employers led to the decline of education quality, structural distortions in training. Deformations in compensation, underestimation of a real labor contribution, shown creativity and initiatives, weak connection between the obtained education and value of earnings, limitation or absence of compensation packets, inefficient social protection, – all this along with other marked factors destroys the valuable orientations of workers to increase of own competitiveness (fig. 1).
Figure 1 – Factors of lowering of employees' competitiveness of the enterprises

Source: compiled by the author.

The scheme suggested by the figure 1 shows the logical relationship of consequences of action of factors which lower the competitiveness of employees of the enterprises and threaten competitiveness of the enterprises and the country in general. This is concerning the danger of increase of personnel ballast, incapable to provide the economic growth and innovative development. System crisis deepens this problem repeatedly.

It must be kept in mind that the European choice of Ukraine, the perspectives of entrance in the European Union, are followed not only by the positive chances, extension of opportunities for development, but also by the certain risks for staff competitiveness of those enterprises which aren't ready (and aren't able) to work within requirements of the European standards of quality of goods and services, can't show innovative activity owing to technical and technological backwardness. Such enterprises are more than 80%. Innovative activity is shown only by every 10th enterprise in Ukraine. Thus, in the conditions of new competitive environment the danger of mass lowering of enterprises’ and employee's competitiveness can be followed by loss of job, income, social security will increase.

It is worth noting that the social and labor sphere of Ukraine reflects numerous contradictions which testify to inconsistency of interests of employers and hired workers, low
performance of social partners activities: widespread poverty of workers, polarization of the income in society, unjustified differentiation in the earnings of principals of the enterprises and subordinates, violations of the workers' labor rights in fact at each enterprise (2/3 of violations are in the sphere of compensation, time delays in payments of a salary, unfair dismissals [8]).

Over 30% of workers are employed in the conditions which don't satisfy to sanitary and hygienic norms [2]. Deformations in the income are the result of absence of communication between growth of compensation and labor productivity, dependence of compensation on its complexity, educational and qualification levels of workers. These phenomena depreciate motivation to effective work, worsen quality of labor life, strengthen a conflict in the labor relations, and weaken attention to problems of competitiveness of staff.

Overcoming of these contradictions is hindered by negative tendencies in development of social partnership:
- in the conditions of undeveloped democracy, discharge of the state from the active regulation of the labor sphere and income, imperfection of the labor legislation, feeble monitoring over violation of the labor law, the social dialog is more declared, than really is implemented;
- formation of social partnership still is on initial stage: employers don't have enough social responsibility, labor unions don't have real independence and activity in upholding of interests of hired workers;
- protective functions of labor unions in questions of compensation, saving and development of labor capacity of the enterprises, social protection of employed aren't used fully that is negatively reflected in authority of the trade-union organizations;
- collective contracts didn't become the effective instrument of influence on labor life yet; statistics of spanning of hired workers by such contracts are often combined with a widespread formalism in their signing.

In such conditions the processes of formation of competitive characteristics of labor potential lost the controllability. It is fair to emphasize that labor unions, based on researches of scientists, repeatedly raised these questions in press, at meetings, however except ascertaining these problems, the decision wasn't made.

From our point of view, the perspective of increase of employee’s competitiveness of the enterprises in Ukraine is necessary to connect only with formation of corporate social responsibility, development of social partnership in practice.

In our opinion, the mechanism of social interaction which will help to regulate the competitiveness of workers is necessary. Such mechanism can be successful only in a case of carrying out the structural reforms in economy, its modernization. Without this it is difficult to expect the creation of new productive workplaces and effective modernization of old workplaces, increasing need of innovations, availability of higher skilled workers. The coordination of social partner’s interests is extremely important to implement the complex of actions for investment into the creation of competitive workplaces, and also in training, retraining, and the continuous education of workers.

The scheme of the social interaction mechanism in increase of workers competitiveness is suggested by the figure 2.

Addressing to the scheme in a figure 2, we will note that for interest of workers in increase of the competitiveness it is necessary to create the appropriate incentives. In other words, motivational support of functioning of the suggested mechanism should become the separate task. We suppose that the need of reforming of work incentives for interests of formation of expensive highly qualified labor, creation of conditions for development of staff and competitive workplaces is ripe long ago.
MECHANISM OF SOCIAL PARTNERSHIP AS A REGULATOR OF EMPLOYEES' COMPETITIVENESS

Employers

State

Labor unions

Investment into the increase of employees' competitiveness

- structural changes in economy;
- creation of new workplaces;
- modernization of old workplaces;
- investment into educational and professional development;
- organization of personnel retraining, professional development;
- motivation to educational and professional development

Enhancement of collective employment contracts and agreements at all levels

Investment into creation of competitive workplaces

Saving labor potential

Development of competitive features of workers

Figure 2 - Mechanism of social partnership as a regulator of competitiveness of employees

Source: compiled by the author.

We will stress that competitiveness of workplaces is defined by their attractiveness for the most perspective workers possessing the appropriate competences. It is about favorable conditions and the mode of work, attractive (especially for youth) compensation, equipment by the modern technical means, and existence of opportunities for professional and social development, statement of a healthy lifestyle.

The motivational role of social partnership in increase of employees' competitiveness of the enterprises is reflected by the scheme at a figure 3.

In relation to the scheme, we will mark that the other representative organizations, associations which reflect the interests of hired workers can also appear as labor unions. The idea of the suggested scheme consists that on the basis of the social dialog the collective employment contract which provides enhancement of specific incentives to effective work and increase of employee’s competitiveness of the enterprise is improved. Correspondingly, the conditions, regulations of work incentives, the list of motivators which are used, on the one hand to compensate labor efforts of the worker, expenses of time and forces to professional development, on the other, – to provide increase of interest in labor achievements and growth of competitiveness are developed by the efforts of social partners.
Developing the approaches of A. Kolot, S. Tsimbalyuk, we think that time of radical improving of a compensation policy at the enterprises, development of its multiple models came [2; 9, p. 3]. Thus we share the point of view of M. Semykina who suggests to treat a compensation policy in a broad sense as a set of actions, mechanisms, tools and levers of external motivational influence on labor behavior of the hired workers thanks to what within the existing legislation there is an exchange of the rendered labor services (results of work) for reward – the material and non-material benefits which serve as compensation of the physical, intellectual, creative, psychological efforts spent in the course of work, the acquired knowledge, abilities, skills and competences [5, p. 99].

![Diagram of Social Partnership and Motivators](image)

**Figure 3 – The motivational role of social partnership in regulation of workers competitiveness**

*Source: compiled by the author.*

The set of all compensations, including the material payments and rewards, the non-material benefits and services which are provided to the worker by the employer as a result of use of his knowledge, abilities, competences, abilities to work is the compensation packet [9, p. 67]. The theoretical analysis shows that there are many constructions of such packet in literature which are urged to serve as a model of reward of workers for the specific achieved success in work. Thus representations concerning the content of a compensation packet vary very much [9, p. 68-71].

In our opinion, the compensation packets should contain a wide set of "motivators", i.e. various compensations – economic, moral and psychological, social and status, social and economic. Thus the compensation packet can include additional economic, natural and material incentives for achievement of competitive advantages in results of work, growth of professionalism of certain workers.

**Conclusions and prospects for further researches.** Thus, the regulation of competitiveness of hired employees of the enterprises requires special attention in the conditions of system crisis in Ukraine. The solution of this problem requires manifestation of
corporate social responsibility, active interaction of the social partners directed on creation of the new workplaces and modernization of old ones, investment into the continuous education, professional development, creation of effective motivation to achievement of competitiveness. On the basis of the active social dialog it is necessary to enhance collective and contractual regulation of work, to develop the compensation policy stimulating effective work and growth of competitiveness. Perspectives of further researches require development of estimation methods of competitiveness of different categories of workers.

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Регулювання конкурентоспроможності національного персоналу на основі активизації соціального партнерства

Цілью статті явищається исследование методов активации социального взаимодействия партнеров - ред регуляции конкурентоспособности національного персонала предприятий Украины, анализ методов формирования и поддержки конкурентоспособности національных работников как фактор экономического благополучия страны.

Предложено трактовать «конкурентоспособность работников предприятия» как наличие конкурентных преимуществ в знаниях, умениях, навыках, компетенциях по сравнению с работниками других предприятий, которые позволяют, с одной стороны, более эффективно реализовать свой трудовой потенциал, обеспечивая больший доход, повышение качества трудовой жизни, с другой, - способствовать улучшению конкурентных позиций предприятия на рынке. В процессе анализа выявлены факторы снижения конкурентоспособности работников предприятий. Раскрытые негативные тенденции в развитии социального партнерства, которые препятствуют решению проблемы повышения конкурентоспособности національных работников и тем самым снижают их социальную защищенность в условиях глобализации. Разработан схема механизма социального партнерства, которая раскрывает функции регулирования конкурентоспособности національных работников совместными усилиями социальных партнеров.

Сделан вывод, что повышение конкурентоспособности работников требует активного взаимодействия социальных партнеров, направленного на создание новых и модернизацию старых рабочих мест, инвестиционное в непрерывное образование, профессиональное развитие. На основе активного социального диалога необходимо совершенствовать коллективно-договорное регулирование
Public Policy on the Labor Market in the Conditions of the Population Ageing

The actual social and economic problem of the population ageing, its key tendencies have been considered in the article. The possible consequences of the population aging for national economy have been analyzed. The need of state regulation of aging tendencies has been proved. The ways of lessening of the negative consequences of aging for economy and improvement of a state policy concerning elderly people have been suggested.

ageing, social policy, employment, state, social protection, pension provision, labor potential

Statement of the problem. The ageing of population defines social and demographic processes for today and in a long term. The ageing of the population is one of the displays of the population age structure transformation in the course of demographic transition. Negative social and economic consequences of the population aging are connected not so much with the aging process, but more with a change of a ratio between elderly people and able-bodied population. The growth of a share of elderly people as a part of the population causes the need of attentive studying of their requirements, social and labor opportunities. Demographic aging becomes the serious state problem demanding the search of the optimum decisions already now and serious preparation for the next years.

Analysis of recent researches and publications. Many domestic and foreign scientists-economists devoted their works to studying of a problem of the population aging, among which are: Arkhipova S., Velichko N., Grishnova E., Libanova E., Paseka S., Semykina M., Shaulska L., Yaquba K. and other scientists. At the same time, in the