

## THE POLICY OF THE PERSONNEL-FACTOR DEFINING COMPETITIVENESS OF THE REGION

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**Key words:** personnel selection, manpower, personnel potential of region, labor cost.

The paper analyzes the main particularities of the shaping of training which are presented at a rate of region. Then comes the conclusion that modern regional policy must be scientifically motivated, take into account need of the Russian economy and region in personnel for ensuring the reforms, and it must be systematic, complex, based on provision of integrity, principle and forms of the work with personnel.

The state personnel selection policy determines and is determined by the manpower of the state. It is the manpower that the direct motivational influence of the managing system is directed to. It is the manpower that directly creates the economic resources. The main direction of the development of the society is directed at the expanded reproduction of the society, i.e. human resources, which can be developed only through the development of the economic resource. The degree of the development of human resources, the level of motivation, the level of the requirements allow to estimate the efficiency of this or that economical model and the development of the social sphere. The measures aimed at the satisfaction of the bare necessities such as public health services, security habitation, labour employment, availability of education directly influence the development of the human resources.

The state should provide conditions for the expanded reproduction, i.e. to create conditions for the formation of the personnel potential of the necessary quality to achieve the main objective of the development. The personnel selection policy is one of the major elements in the mechanism of influence on the motivation of the activity of the society. The economic and social measures make it possible for the managing subjects to develop whereas the personnel selection is directly directed on the formation of the their manpower.

The task of achievement of the economic and social stabilization in Russia is revealed in the redistribution of resources inside the country. And the state policy of the manpower movement is possible only through the coordination the state and regional management with the management of the industry or the enterprise. The process of the coordination of interests brings to life a special mechanism of manpower redistribution based on the methods of both economic and direct control. From

V.B. Shirenko's point of view, this mechanism should carry out the following functions<sup>1</sup>:

- ◆ to coordinate the interests of the country, regions, branches, enterprises for the attraction and use of the manpower;
- ◆ to provide the public expediency of the movement of the manpower and efficiency of labour expenses in various sectors of economy;
- ◆ to promote the establishment of the balanced workplaces and labour.

The structure of the personnel processes in the country is a complex, hierarchical and dynamic system. However, to study its functioning the personnel policy should be examined at the level of the region. This way the region nowadays becomes the basic subject of the state personnel selection policy as it allows considering such factors as existing distinctions in social and economic development, natural and ecological conditions.

The basic object of personnel selection is people who live in territory of the region. The state creates the certain conditions for the development, creates a general mechanism to influence the motivation of the staff, develops the general principles of personnel selection, and carries out the function of control. In this connection the regional personnel selection policy becomes of significant interest being one the basic tools of the creation of the new mechanism of motivation.

Regional authorities bear the main responsibility for the situation in the region before the population and the state. The management of the region as a uniform unit, maintenance of the integrated approach of the development of region is rather a new task. Until now the regional management has not had a sufficient independence as it was limited as a rule to the local economy. Nowadays when the regions have a greater independence, the development of the system of regional management for a specific model of the market relations is required.

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The development of the new model and the system of the realization of personnel selection policy in the territory of the region can strengthen an investment appeal of the region or the city. With this purpose the suggested project should be carried out in coordination with other programs, especially with the programs of reforming and re-structuring of the large and medium-sized enterprises as well as with the programs of the preservation and creation of new workplaces. A variety of the economic, geographical, demographic and reproductive conditions of Russia predetermines the nature of the problems which may arise in this sphere.

The economic reforms, conducted in the country, are to a large extent based on the strengthening of the role of the regions in the development of all economic complexes of Russia. As mechanisms and technologies of the development of the regional economy in Russia are only being formed, it puts regions of the Russian Federation in a difficult position<sup>2</sup>. From the point of view of the systematic approach the economy of the region should be considered as an integrity which interrelates to several parallelly existing environments.

The concept of personnel selection policy of the region includes only leading positions of the personnel activity which determines its interrelations with the state personnel selection policy itself and with the peculiarities of the economic activity of the region (see figure).

At present the degree of the use of the manpower is determined by the effectiveness of the management system at the regional labour market. These processes are interrelated and depend on the changes of the mutual relations between the managing subjects and objects in the region. The new condition of the regional labour market demands an adequate control system. The basic components of this control system are the object, the subject, the objectives and the mechanism of management.

Structural divisions, administration, management of the enterprises, councils of industrial associations, etc. should take part in the formation of the personnel selection policy of the region. Their work with the personnel is limited basically to their own personnel. But all of them can participate in the personnel selection policy of the region by way of the offers basing on the experience. Hence, the instrument and the means of the realization of the personnel selection policy of the region are the staff departments which are the basic structural

divisions of the management carrying out all routine work with the staff.

The main objective of the regional personnel selection is to provide high professionalism of administrative process with the qualified, actively working employees, capable to participate in stabilization economy of region and growing manufactures. Here are the necessary stages:

- ◆ to determine the strategic objectives of personnel selection of the state and region,

- ◆ to establish a connection of each worker with the property and authority, and make the personnel selection of the open and legal,

- ◆ to take into account interests and will of a person, who individually chooses their employment place;

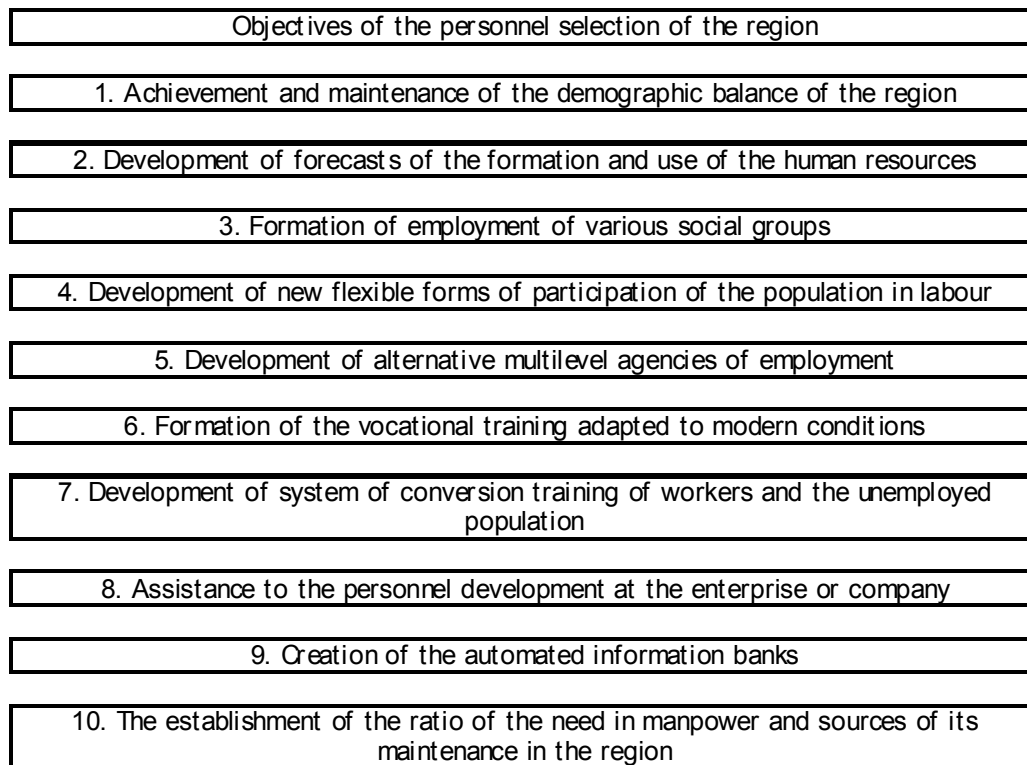
- ◆ to cardinaly reconstruct the systems of the professional education (especially postgraduate), retraining and improvement of professional skill of the staff;

- ◆ to decentralize the state personnel policy, transferring a significant part of functions of personnel selection to independent companies, keeping a number of positions giving to personnel work systematic and integrated approach.

The questions of the formation of the personnel selection at the regional level are connected to the laws of the economic development with emphasis on the features regional reproduction. The regional economy reproduction process determines the personnel selection of the region which in its turn influences the development of the separate branches and the investment policy of the region. These contradictions should be solved at the level of the state, region and the enterprise by means of the certain programs. The basic factors of the personnel selection are political and economic ones.

Nowadays in Russia, from our point of view, an inefficient approach to the definition of the labour cost is accepted. In our country a share of wages of the employee in the production cost is 1,5-1,8 times less than that in the economically advanced countries, therefore the strengthening of stimulus to work requires the reorganization of the mechanism of distribution. Together with the development of the market it is necessary to raise a role wages in the satisfaction of people's needs.

At the regional level the normative acts of personnel selection are, unfortunately, either underdeveloped or do not work in full force. The sizes of pensions, grants and social payments in Russia do not provide for the adequate standard of living. The activity of employment agencies is insufficient for the majority of the unemployed as well the sys-



**Fig. Objectives of the system of personnel selection of the region**

tem of vocational training of experts which demands urgent change.

The decision of the mentioned problems is possible by means of the flexible personnel selection policy which will allow increasing the employment rate and solving the problem of youth unemployment. The condition of the personnel potential of the region depends on the demographic situation. The important parameters describing the structure of the population are sexual and age structure, absolute and relative population growth, population density, a ratio between the city and countryside population.

The development of equipment and technology can cardinaly change the labour demand of the enterprise. Experts on human resources should keep up with the international tendencies in science to estimate the possible influence of the introduction of the new equipment or technology at the enterprises of the region. Nowadays the idea of a continuous updating of knowledge and skills receives a great recognition.

According to the Ministry of Labour of the USA, the majority of adult population of the country had to go under retraining 4-5 times during their labour life to meet the new requirements of the production. For example, in Sweden 88 institutes of a labour market have been created. They study the clients' possibilities, give the recommendation, and send to the upgrading courses. On

the interested person to receive a new trade institutes spend. An average of 70 thousand rones is spent on each person who needs retraining<sup>3</sup>.

The difficulties of the regional management are caused by the one-sided development of the economic base. As a rule, industrial enterprises of the region used to be created as parts of the large economic technological complexes working for one and the only consumer % the state, which in the market conditions makes them especially vulnerable. Another cause is the deformation of social - demographic structure.

In the past the dependence of the planning of the human productive forces on the prospective development of the regions predetermined the structure of their today's economic base, including the presence in the highly industrial areas of the personnel of the high technology manufactures which resulted in a low level of a city infrastructure. The social sphere was formed not to answer the needs of the population but to provide for the uninterrupted functioning of the industry.

The optimization of the region management systems can be achieved only on condition of the complex approach using the integrated approach to the formation of the regional management. The designing of an effective control system requires a conceptual model which would adequately describe the complex of the regional processes with an emphasis on the interaction with an environment.

Such a model can be based on principles of the system analysis, which distinguishes structural-economic, dynamic and ideological aspects. The formation of a similar model is methodologically based on this system approach, and the information and operative bases of the areas having a leading position inside and outside the system are used.

The region management should be supported by the training of the qualified experts, in the field of market relations. If high schools educate more experts than required by the demand, it may cause problems on the regional labour market. To increase the efficiency of the professional development of the personnel specific normative documents are required. To them we refer state standards including professional, educational, and industrial standards for the enterprises and educational establishments, instructions, recommendations and other supervising documents determining the organization of the professional training in the country.

At the regional level the system of stimulus is necessary for the enterprises successfully engaged in the personnel development including: measures on boosting the interest of employees in a continuous updating of the knowledge and skills; full and partial compensation for the expenses on the personnel training; norms of the compensation for the expenses on the professional adaptation of the graduates of; improvement of the financial position of the system of in-service training; systems of stimulus for the employers who improve the professional level of the employees; system of stimulation of the persons working in the field of development of the personnel.

Hence, the personnel selection policy is one of the factors determining the competitiveness of the region. The peculiarity of the personnel selection policy of the region is that the regional authority cannot directly form or influence the personnel policy of the enterprise, but, nevertheless, is obliged to create conditions for its effective functioning. The task of the regional authorities is to create legal, normative, economic and social conditions for the development of the human potential as a source of the personnel potential.

It is at the regional level where it is possible to speak about a full cycle of the formation, development and use of the personnel potential as these processes are beyond the limits of one enterprise. It does not contradict the fact that within the framework of each enterprise there is its own personnel cycle.

The formation and development of the personnel potential of the organization takes place both

inside and outside the enterprise. Hence, the process of the formation of the personnel potential of the organization stretches beyond its limits. This leads to the conclusion that the full cycle of the formation and development of personnel potential takes place at the regional level, while the use of the personnel potential is limited to the enterprise level. This approach also proves that the efficiency of the regional economy and the separate organization depends on potential of region.

It is necessary to remember though that the importance of the solution of the regional problems for the achievement of the state objectives causes the necessity of the specific state regulation of the development of the regional economy. The development of the regional economy can not be carried out only on the basis of the market self-regulation without the intervention of the state. According to the international experience, non-interference of the state results in the serious contradictions, capable to destroy the integrity of the national economy and the society as a whole.

Various authorities take part in the realization of the state regulation of regional development and their activity becomes attached to the certain territory of the country. However, the solution of regional problems is not the basic function of many state institutes. In this connection the system of the state regulation develops the activity specially focused on the realization of regional development which is referred to as the regional policy.

In the conclusion it should be stressed that for the personnel selection at the regional level an effective interaction of the state and regional institutes, and the interaction of employees and employers are necessary. For the solution of the problems of the employment the authorities determining the personnel selection should forecast the situation on a labour market, find and support the growth point of the industry, carry out regional investment policy to promote the adaptation of the employees to the requirements of the labour market.

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<sup>1</sup> *Shirenko V.B.* The organization of the redistribution of manpower in the region // Ways of formation of the labour market: Theses of reports at the scientific-practical conference, 10-11 September, 1991. Part 11. Omsk, 1991, p.81-85.

<sup>2</sup> *Shabunina I.M., Lomovtseva O.A., Trubin M.Yu.* The theory and practice of the regional economics: the textbook. Volgograd, 1996. 183 p.

<sup>3</sup> *Volgin N.A.* Economy of labour. Social-labour relations. M., 2006.