

The Concept of Human Resources Corporate Developing as a Factor of Labor Performance Growth

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ABSTRACT

The practice of using and distributing economic resources in contemporary national economies reflects insufficient effectiveness of their running including human resources management. The continuous trend of their (these resources) unreasonable using indicates that: on the one hand the abilities of workers are realized lower than possible level on the other hand the available potential of human capital is limited to perform certain labor functions. The aim of the article is to elaborate the concept of human resources corporate developing on the basis of staff assessment methods synthesizing the aspects of theory marginal productivity and modern methods of effective human resources management. The author's idea, which the concept is based on, proposes continuous stage-by-stage corporate training on an employer's or manager's initiative and personal learning from the position of employee him/herself. The application of classic and innovative approaches in staff management oriented on labor productivity growth, optional combining professional abilities of a worker in a team as well as effective methods of staff assessment by recruiting and using labor force further the achievement of staff match and settlement of arising contradictions. The presented article will be of use to scholars, post-graduate students, doctoral candidates, human resource managers and persons who are interested in problems of labor performance growth.

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1. INTRODUCTION

The practice of distributing and using human resources in contemporary organizations reflects insufficient effectiveness of their running both on rational and moral point of view. On the one hand abilities of workers are realized lower than possible level on the other hand the available potential of human capital is limited to perform certain labor functions that leads to probable economic losses as a result of staff mismatch to corporate requirements. The application of classic and innovative approaches in staff management oriented on labor productivity growth, optional combining professional abilities of a worker in a team as well as effective methods of staff assessment by recruiting and using staff further the achievement of staff match.

To solve the problem of staff mismatch on corporate level it is important to expose possible causes its appearance.

They can conclude:

- 1) Drive for saving and cutting costs in result of recruitment of low-qualified labor force;
- 2) Application of incorrect recruitment techniques that do not allow assessing applicant's professional mastery objectively;
- 3) Workers' disinclination to develop their professional abilities and competences according to changing conditions, requirements and technologies;
- 4) Employers' unwillingness to train employed specialists because of economic or psychological motives;
- 5) Absence conditions for human resources developing in some organizations.

The list of reasons for appearance of staff match can be continued in dependence of goals of participants of labor relations, company size and its functions and so on. Researchers' attention is concentrated on human resources management techniques (HRM-techniques) oriented on application of methods of recruitment, assessment and staff development leading to reduction staff mismatch. The aim of the article is to elaborate the concept of human resources corporate developing synthesizing the aspects of theory marginal productivity and modern methods of effective human resources management including stage-by-stage corporate training.

Let us note that application of classic and innovative approaches in staff management oriented on labor productivity growth, optional combining professional abilities of a worker in a team as well as effective methods of staff assessment by recruiting and using labor force further the achievement of staff match and settlement of arising contradictions.

On this stage, it is necessary to consider the category «staff match» which is a determinative meaning in the article. *Staff match, in other words, professional and qualifying match* is suitability of an individual employee, his/her professional competence for held position or executable labor functions. The rate of this suitability is exposed on the quantitative or qualitative level forming the general picture of a worker's professional competitiveness and competence:

- a) In regard of certain position (the characteristics stated in the corporate competence card are considered as the reference ones);

- b) In labor market in the whole (a professional portrait created on the basis of a skilled manuals and general requirements to specialists is considered as a sample).

The level of professional competitiveness in regard of independent working position is evidence of professional match or mismatch – partial or full unsuitability of an employee that leads to rising or decreasing professional mobility. *The rising professional mobility* reflects the realization of labor potential lower than possible level when abilities are partly uninvolved (that is not advantageous in the first place for the worker him/herself because his/her competitiveness rate allows performing tasks that are more complicated). *The digressive professional mobility* is professional limitation by performing labor functions (that is not advantageous in the first place for an employer because labor performance of a worker less according to standard requirements). In case of need, staff match can be calculated for a group of employees employed in continuous production cycle or interrelated to solve general problems on the concrete stage or for a team executing project.

The above stated aspects of mismatch (rising or digressive mobility) reflect underlying economic and managerial contradictions on the level of economic subject (organization) arising in interrelations between owners and hired staff (managers and subordinates). The basic methodological functions of contradiction principle reflect «searching the possibility of settling previous contradiction and forming new, more developed economic relationship» (Motcherny, Larina, Nekrasova, 2010).

The economic contradiction reflects interthinking, internegation, interpenetration of objective economic demands, individual goals by producing, changing, distributing and using both material and spiritual goods in conditions of limited resources. The fundamental contradiction of management is «that on a par with objective need for giving public character to management setting apart management object from elaborating and taking managerial decisions is taken place» (Nekrasov, Golovko, 2011).

The different elements of staff policy (hire, professional adaptation, employment of labor force, corporate training, planning and developing career) are oriented on settlement of economic and managerial contradictions from the position of professional and qualifying match achievement. The internal contradiction is a source of development and improvement that stimulates in its turn human resources management (HRM) to match different economic interests and search of ways of effective interrelation of labor relations participants. On this base the task of HRM is

creation of the concept of staff corporate developing including directly workers' training and improving their professional skills to raise labor performance.

2. INTERRELATION OF STAFF MATCH AND PERSONNEL RECRUITMENT

In the reality, absolute staff match (100 % worker's labor potential realization on the one hand and 100 % economic resources operation to decide organizational questions and involve available human capital on the other hand) is a complicated task (like absolute full employment) in view of continuous changes. Both production conditions (new equipment is implemented, manufacturing technologies are improved) and the worker him/herself whose professional skills level is subject to continuous dynamics (rising or on the contrary dropping) are changed. It is reasonable to speak about optional limited by real circumstances realization of professional abilities. However this fact should not prevent try to achievement staff match close to perfect 100 % ratio necessary for optimal distributing and applying human resources because their irrational using is economically unreasonable for both subjects.

In particular, *employer* faces the next variants:

- 1) In case of staff employment with human capital higher than the required one:
 - Loses advantages from unrealized worker's labor potential;
 - Bears more expenses caused more costs on keeping qualified labor force (if labor remuneration is proportional to competence and qualification rate).
- 2) In case of staff employment with limited human capital receives potential profit less because of labor force mismatch in view of its low qualification).

In his/her turn *employee* faces the next variants:

- 1) Has losses of profit caused his/her own unrealized labor potential possessing professional competitiveness on the rate higher than the required one;
- 2) Receives labor remuneration less if his professional competitiveness lower than the required one and pay is proportional to qualification rate and labor output. It is suggested linear dependence between qualification rate and return from labor that is the lower qualification rate is the lower labor output (utility) from labor contribution into production performance (similar situation is does not always happen in reality because the formal qualification rate cannot influence on labor efficiency either).

The last variant is especially advantageous for an employee (applicant) because the accepted reference level stimulates professional development and competitiveness growth on in-house and external labor market.

The employer aimed at maximization of labor force utility in his/her own interests creates recruiting policy providing maximal (optimal) quality of the most profitable for organizational requirements applicants. However, in real circumstances they often hire unsuitable staff in view of different reasons:

- Scarcity or full absence of suitable labor force on labor market;
- Implementing new technologies whose pace is quicker than the one of professional learning;
- Limited organizational resources to recruit required specialists, satisfy their needs (incentive, social etc.) and supply expected by them benefits;
- Inadequate (irrelevant) competence staff level assessment in view of information misrepresentation by recruiting and «embellishment» of professional abilities by an applicant;
- Inadequate competence staff level assessment in view of absence of suitable resources (staff, information, finances etc.) to carry out full-fledged assessment.

To rise rate competence assessment quality «interview on competences» is applied. Their range is very various that's why 5-10 key criteria having most significance to defined position and fulfill certain professional tasks are chosen in the result. «Interview on competences lets assess not applicant's presentations about him/herself but his/her actions: what he does, did at previous working place in details, how he/she fulfills the suggested problem situations» (Mironova, 2014).

Therefore, the aim of staff recruiting is supply optimal number of the most appropriate to employer's (organization) requirements applicants and creating working field for the next stage – staff selection whose task is to choose necessary quantity of the most suitable persons of available challengers.

The aims of staff recruiting and selecting form HRM strategy in point of forming (planning labor needs, recruiting, selecting, assessing and employing) human resources (Figure 1).

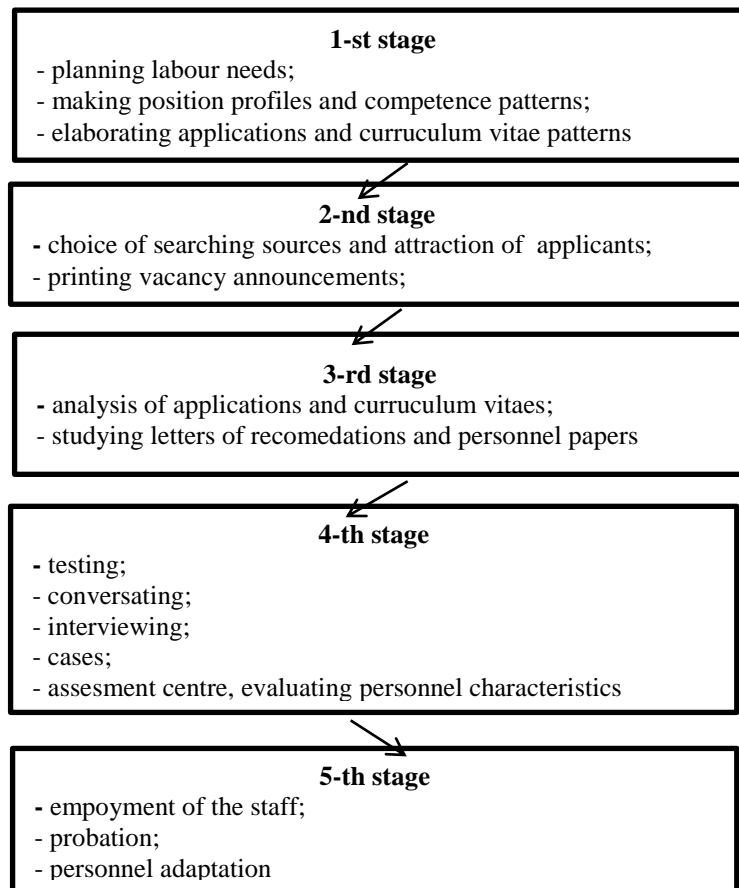


Figure 1: Forming human resources

Human resources manager (HR manager) should carefully analyze workplaces models taking into account linear and functional managers desires, elaborate or improve having position profiles and competence patterns in according to that vacancy announcements, applications and curriculum vitas samples necessary for primary selection stage are made. The last ones (applications and curriculum vitas) are so structured to get maximum of reliable and objective information about applicant with the least costs of time and other economic costs as well as not to miss valuable applicants.

The methods applied by assessment centers have been became actual. They let «to simulate working situations by which a person has to show if he/her can or cannot do it. In stress situations when a participant is limited with time, resources, for example, cannot use prompts, he has to make all decisions himself» (Vutchetitch, 2014), that gives a chance to show his abilities at the maximal level. The reliability of received data is high enough – «each participant is observed by some persons – at least two observers by each exercise». In addition to that, «some methods let look at the participant by various situations. There are interactive methods – the participant communicates with other participants or with role

players by solving the task; ... individual group exercises – the participant is solving tasks him/herself and assessors analyze, make conclusions from his/her results» (Vutchetitch, 2014). So a person can be seen from different positions and his/her competence can be assessed more objective.

The result of recruiting company suggests at least that employed labor force is suitable for employer's expectations. In this case, costs on it including expenses entrepreneur's labor are equal or approximately equal to its return including the least entrepreneur's return – payment of entrepreneurship factor that forms break-even-point:

$$I_{lf} = C_{lf}$$

(1)

where I_{lf} – return from using labor force;

C_{lf} – costs on labor force.

The ideal for an employer result characterizes situation when realized labor force exceeds his (employer's) expectations and gives higher return including payment of entrepreneur's labor in comparison with expenses on it and in comparison with planned return that leads to additional surplus value:

$$I_{lf} > C_{lf}$$

(2)

By other variants when misbalance between worker's professional level and held position, performed labor functions is exposed and expenses on labor force do not justify investments in human capital made by its employing and using the problem of staff mismatch is arising:

$$I_{lf} < C_{lf}$$

(3)

Let us consider possible variants of employer's behavior faced the problem of staff mismatch. One of variants suggests diminishing payment until worker's average labor efficiency is equal with the standard one – the indicator fixed in organization or comparable with the average indicator in this professional field on labor market in the whole. Till average labor efficiency

of a new employee matches the required level, costs on employment of mismatched staff are higher than the planned ones per wage-unit paid to it. The reason is insufficient labor efficiency fulfilled by low-grade labor force. In the result the employer either receives profit less (if the price of goods is not marked up and paid more higher reward in comparison with labor return) or marks up price and does not win as a rule as average price dictates price forming conditions for goods and services producers on competitive market.

Therefore, staff mismatch arisen as a result of recruitment of unsuitable human resources reflects one of sides of organizational contradictions. Similar «contradiction between demand of management objects in observance of private interests, need for balance between interests and demands and objective possibility of effective satisfaction of management objects' demands, interests» (Nekrasov, Morozova, 2013) is possible and reasonable to solve by corporate staff developing.

3. CORPORATE TRAINING AS A FACTOR OF STAFF MATCH ACHIEVEMENT AND ECONOMIC CONTRADICTIONS SETTLEMENT

The negative affect labor performance from mismatching labor force the English scientist J.M Keynes reflected and noted that «we subsume, so to speak, the non-homogeneity of equally remunerated labor units in the equipment, which we regard as less and less adapted to employ the available labor units as output increases, instead of regarding the available labour units as less and less adapted to use a homogeneous capital equipment» (Keynes, 1992).

How can the employer constructively settle the problem with mismatching labor units? One of the alternative variants suggests that unsuitable staff «can be trained to work». The question is that how long, how much costs (expenses of organization resources) and what methods. Depending on permissible expenses level and time the most appropriate form is chosen:

- Learning by means of suppliers of educational services (accredited educational institutions – high schools, colleges, specialized secondary schools, training units etc.);
- Learning directly in organization work being discontinued (full or part) if there are available training units, rooms or specialized divisions;
- Learning directly at workplace without discontinuing work (as a rule it has informal character).

In terms of science, we are interested in the last element is the most advantageous and profitable for organization variant by evident reasons:

- Its relative economy (in comparison with the first and second variants – in the first one organization incurs directly money and time costs, in the second one – time costs that are transformed into alternative costs);
- Its positive influence on professional and social adapting in a team;
- It provides direct feedback with the trainee because his/her labor return is clearly reflected in labor process as the worker sent to learning justifies the contributed investments some time later;
- Possibility to be used as a tool of informal training at a working place, element of career management system and personal development;
- Suitability for use as a tool for settlement of economic contradictions between organization and staff by creating joint organizational culture.

There is close interrelation between staff development and joint organizational culture. The last is oriented on creating communal spirit to rise company's competitiveness and cultivation of relationships of cooperation, spiritual believe, convergence of interests. Firstly, the worker rising his/her professional mastery gives more labor return in the result. Secondly close interrelation is created by communicating between the trainer (coach, mentor) and the trainee, exchange of minds is occurred, actual production problems are discussed.

Nevertheless, the above stated element has weaknesses too. Adapting the employee for new position or carrying out new additional functions is mostly informal as absence of regulated training procedure and educational paper is watched in the result. By this reason, the employee cannot formally confirm acquired knowledge and skills if it is necessary.

Typical situation is peculiar to an employee. In spite of rationality and economy reflected in stage-by-stage mastering additional competencies the informal learning at workplace is opposed having formal institutional restrictions in certain professional fields to. The employee is often able and has a possibility to acquire related skills but in view of absence of formal evidence of appropriate document, he does not have a right to be employed in concrete occupation. For example, experienced educator without degree does not have a right to give lectures in high school even by mastering big store of knowledge and skills. A teacher in comprehensive secondary school knowing two foreign languages cannot teach the second one if it is noted in the diploma only right to teach the first one. The same is true as the specialist

him/herself in practical activity or with help of private consultant learns additional foreign language. Mechanic employed in automobile sales centre – representative of certain automobile plant (official dealer) cannot formally carry out repair and diagnostic works by absence of the certificate given by this plant about training and confirmed the right to work with car of his brand in spite of experience and mastery.

4. THE CONCEPT OF INFORMAL TRAINING AT WORKPLACE

Let us get down to consideration of human resources informal training at workplace as a factor of their professional development, growth of organization profitability, labor return and performance, cost reduction due to staff recruitment and achievement of staff match.

Human resources informal training at workplace characterizes their development for the purpose of acquisition by them of additional professional or social competences during labor activity without receiving educational document. There are following kinds of additional professional competencies:

Differential – competencies in professional field not related directly to the basic activity (or related indirectly). Mastering them and practical application in addition to main competencies assists growth of general labor performance. For example, lecturer of economic and managerial disciplines in a high school leaves the courses for actor skills that at the first sight do not influence in any way influence on teaching quality and performance. Studying in details, we make sure that acquisition of the second competence raises self-confidence, oratorical skills level and communications effectiveness by teaching, giving lectures and other public activities.

Related – competencies in related professional field (or the same professional field in related directions) assisting higher labor efficiency and performance in basic occupation. Psychotherapist received training additionally in a consulting psychologist, marketing expert in car sales centre gained skills to work as a sales manager – these are examples of main and related competences combination. The relation can be in vertical, horizontal or mixed form:

- *Vertically* – a teacher in a comprehensive secondary school combines teaching with administrative operations (position of head of curriculum department, director) – additional professional competences are acquired for the purpose of labor activity optimization, duties combination.

- *Horizontally* – a teacher of English and German, German and French etc. that is competences combination at the same level;
- *Mixed* – the elements of horizontal and vertical relation are combined – the teacher of German is rising professional mastery in teaching English (horizontal development) and at the same time acquiring skills in managerial work to carry out duties of director (vertical development).

Complementary - competences whose interrelation provides required professional level (right to have one or another position) in specific occupation. Let us consider that definition «complementary competences» is logically and semantically related to definition «complementary goods». Similar to complementary goods whose mutual consumption satisfies the same consumer's want complementary competences satisfy the same professional want (in terms of the employer or labor market) by carrying out certain functions.

The difference of complementary competences from the differential ones is that the second ones can be applied separately as single occupations. In the abovementioned example lecturer can work not leaving courses for actors and vice versa.

The essence of complementary competences is that their separate application is unmeaning and does not let carry out the aggregate of labor operations in certain occupations. For example, for the teacher of foreign languages mastering both language itself and teaching methods is obligatory (Figure 2). Practical application of foreign languages without teaching methods forms professional mastery level in other spheres (interpreter, translator, guide, tourist, aircraft etc.) as well as acts as an additional complementary competence in certain professions – an engineer, a journalist, an economist etc.

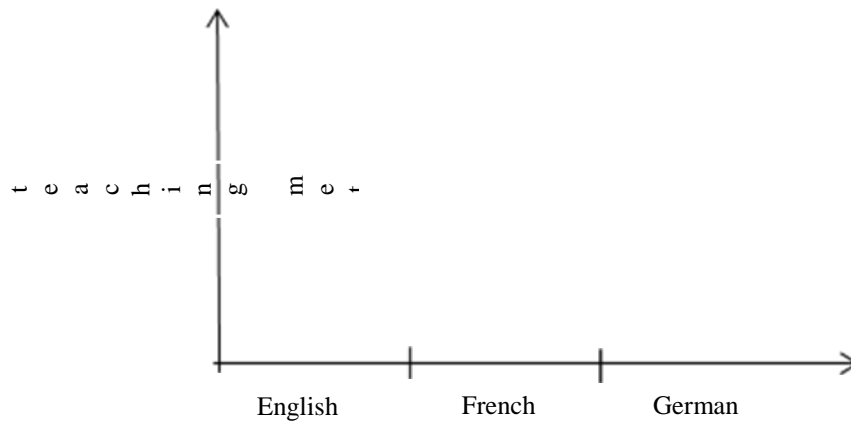


Figure 2: Subject orientation in occupation «teacher of foreign languages»

Follow-up (step-by-step grown to the main competence) - competences whose mastering is not possible without mastering the subordinate ones. Acquirement of financial mathematics is not possible without knowledge of basics of general mathematics, translation theory and praxis – without knowledge of foreign language at minimal level.

Let us note that learning one or another competences is made in vertical or horizontal form (do not miss with vertical and horizontal career though there is some likeness). The first characterizes step-by-step developing in certain occupation. For example, in direction «Management» Russian Federal State Standard for High Education provides on primary stage learning disciplines «Mathematics», «Statistics», «Economics», «Basics of Management», «Marketing», «Accounting», at the next stage – «Financial Management», «Human Resources Management», «Strategic Management» and so on. Then depending on the chosen profile (specialization), the specialized courses are coming. Therefore, specialization «Human Resources Management» includes subjects «Scientific Organization and Work Measurement», «Assessing Labor Staff Performance», «People Rewarding Management» and so on. So horizontal form suggests mastering competences on the same level by extended principle:

- Basic level – «Mathematics», «Statistics» and so on;
- General professional level – «Economics», «Basics of management», «Marketing», «Accounting»;
- Professional level – «Financial Management», «Human Resources Management», «Strategic management»;
- Specialized level: «Human Resources Management», «Scientific Organization and Labor Measurement», «Assessing Labor Staff Performance» (*specialization «Human*

Resources Management»); «History of Project Management», «Basics of Project Management», «Project Management», «Operation Management», «Business Plan of Investment Project» (*specialization «Project management»*).

Vertical form reflects studying disciplines by growing principle that is as per considered levels in the whole by studying as well as mastering competences in promotion career process. Therefore, improving professional skills is accompanied by increase of additional competences needed to hold higher position – specialist subject to promotion studies for example Management Psychology, HRM, Assessing Labor Staff Performance.

So in person's professional development they differ basic part (basis) consisting of general professional and personal-social competences forming fundamental human capital and variable part including additional variable (varying) competences depending on narrow specialization and professional interests.

5. CORPORATE STAFF DEVELOPING AS AN ELEMENT OF CAREER MANAGEMENT SYSTEM

Significant part in corporate staff developing is assigned to furtherance of professional promotion and growth that is aimed at «changes related to workplace or position in enterprise from the one hand and change of labor content from the other hand. Actually personal development is executed by means of following methods (Wyoer, Dyoring, 2010):

- *Coaching*. The workers are aimed at qualitative carrying out their current tasks and professional growth by trainer (coach). Linear manager who performs orienting, consulting, training and leading function can be as a coach. The aim of coaching is raising workers' professional skills.
- *Mentoring* is a specific form of promoting (growing) young staff. Experienced executive performs mentor's function responsible for beginner's assistance and involvement into work.
- Planning professional direction and career promotion. The method is oriented to preparation of qualified specialists (beginners executives) to perform leading functions. The specialist is planning his/her professional development. If he/she executes planned points step-by-step career growth is guaranteed.

Association of Career Professionals (Russia) did in year 2011 survey about having career management system in organization. Divergence of opinion among human resources managers and subordinates is interesting. 72 % of HR-managers answered positively and only 16 % of employees noted practical use of career promotion methods relating them. It underlines contradiction between declared points and real results. The reasons for such non-accordance can be varied from desire to economize on personal development to scarcity of human resources as a result of busy schedule of specialists responsible for personal development or absence of such specialists in principle.

It is empirical tested that investment (not only in monetary form) into workers let get feedback from them, expose their labor potential and receive serious economic effect. Significant part by implementing career management system is assigned to managers who plan their own and their subordinates professional promotion in accordance with corporate and private goals. Ways of exposure and analysis of worker's talent «who begins to be interested in company's opportunities, is extending his/her functions, tries to raise his/her competences at new rate, is catching new complicated tasks, inquiring about feedback, shares his/her experience with colleagues, is extending contacts and so on» (Berger, 2014) are applied in career coaching.

Career management system is aimed at analysis of workers' talents and strengths, their integration with corporate goals as well as knowledge management – «creating such organizational environment which new knowledge would like to be generated in» (Suslov. 2012). Choose of appropriate way of personal development mostly informal that allows by means of step-by-step mastering additional competences to raise professional level and labor performance is very important here. In the whole informal professional promotion suggests workers' assistance and furtherance of personal development as training (teaching) is aimed at formal raising professional skills.

6. GOALS OF STAFF INFORMAL DEVELOPING

Applying the concept of human resources informal development without dropping work the employer is aimed at achievement of the next objectives:

- 1) *Monetary costs reduction on recruitment of marginal labor power.* If number of labor functions in a group (or in certain professional field) is limited and it is unreasonable to

recruit a marginal worker so one of the employees (the most suitable one) is trained directly at workplace or stimulated for self-learning to fulfill related functions.

By appropriate labor organization a marketing expert in car sales centre is able to master skills of sales manager during his/her working day and without evident losses for main labor activity. A piece of marketing functions (sales process check, watching clients servicing quality) is made directly in show-room. At the same time, the expert learns sales manager's working process for the purpose of mastering related competences in situation if demand is risen or clients more carefully approach to car choice (purchase) – ask unconventional questions, require more attention and so on. Similar tactics are done by scarce number of sales managers (going on holiday and so on) or scarcity of their working hours to work with available clients. In this case the marketing expert fulfills a piece of additional sales functions for the benefit of solving his/her tasks – establishing and building more effective communications with clients and staff; exposure of more effective sales methods that will help him/her based on empiric facts to form recommendations in improving servicing. Using similar method another person related to realization of machines for example specialist in car crediting can at the same time carry out a part of sales functions too if it does not cut marginal and average labor efficiency in his/her basic occupation.

In his/her turn, the sales manager in car sales centre can be trained as a cashier too. As a rule upon completion of purchase of car manager prepares the purchase contract for signature of both parties (client and organization represented by concrete person) and cashier accepts payment. To economize costs the manager can accept it too having special training. Nevertheless, often it is not enough only practical knacks for making payment operations to fulfill functions of cashier. It is needed formal justification of training that as a rule will not take much time.

In the abovementioned example with car sales centre drive for costs reduction on recruitment of additional staff is accompanied with achievement of parallel aim – *improvement of servicing quality*. Many clients do not keep patience careless treatment to themselves if they have decided to purchase, they do not have much time to wait, they are arrogant men and so on. In this case, it is all the same to them who answers the questions interested to them. The essence is the officer should know reliable and needed information about goods, satisfy consumers wants adequately and with due professional level. Similar to this way combining functions is carried out in other occupations too.

2) *Other costs reduction (time, legal, institutional) having economic value on recruitment of marginal staff.*

The aggregate of various functions is distributed between available employees in following principle: their workday is not changed from quantitative position but from the qualitative one it is more varied in comparison with the specialists doing similar but homogeneous operations in other organizations. Working shift of a worker doing single-type operations is represented in the next formula:

$$Wsh = f(x) \quad (4)$$

where Wsh – working shift,

x – single-type operation.

On the contrary, the shift of a worker with various in meaning operations is represented in the formula:

$$Wsh = f(x_1, x_2, x_3, x_4, x_5) \quad (5)$$

where x_1, x_2, x_3, x_4, x_5 – varied in meaning operations.

The number of varied operations is changed depending on kind of professional activity, organizational tasks, management style, labor organization policy, arrangement of objectives, quality of planning, staff development policy and methods as well as on individual motives of a worker (labor process with varied in content functions suits the workers tending to continuous professional improvement, oriented to settlement of original professional tasks).

The same in length workday by workers with broad specialization solving various tasks is qualitatively different from working shift of specialists with narrow specialization doing homogeneous operations. Similar division of labor in principle of broad specialization is generally applied in small enterprises where the number of labor functions is great, they all are various and it is unreasonable to recruit marginal specialists (for the purpose of distribution of homogeneous operations in principle of narrow specialization) from a position of distribution of time, legal, institutional costs. Available employees do more various operations in comparison with organizations having so high number of homogeneous operations that single workers can do them during the whole working day. For example, it is unreasonable to recruit several marketing exports with different specialization (analyst, brand

manager etc.) as all functions related to marketing and brand management can do the only officer.

3) *Other costs reduction on staff recruitment leads to solution of the problem of complementarity and substitution of human resources that it is transformed into the next objective.*

In high school the disciplines are occasionally changed among teaching staff to achieve this goal. In particular, at the Department of Management interchange of disciplines is taken place approximately according to the next scheme: one specialist teaches in the first semester «HRM» or «Basics of Management». In the next semester or next student’s year the subject «Organizational Behavior» is added. Some time later «Basics of Management» are changed with «Strategic management» etc. (Table 1).

Table 1: Approximate scheme of the specialist’s professional development at the Department of Management

Student’s year	List of disciplines		
1-st	Basics of Management	Human Resources Management	-
2-nd	Basics of Management	Human Resources Management	Organizational Behavior
3-rd	Organizational Behavior	Staff Management	Strategic Management
4-th	Organizational Behavior	Staff Management	Strategic Management
5-th	Staff Management	Strategic Management	Business Planning

Stage-by-stage personnel development is fulfilled. When the definite result in certain disciplines teaching is achieved an additional subject is offered to the specialist that assists to solve individual tasks (raising professional mastery and broadening specialization) and achieve organizational objectives. If current need in broad specialization is even absent the permanent probability of appearance the problem of scarcity of suitable staff in the future exists. Executives orientated to successful settlement of professional tasks in long-term period taking into account continuous changes of external and internal environment practice similar strategy. Its application in educational institutions is especially actually by the reason of occasional staff absence (taking part in conferences, workshops, extension courses, rising professional skills, change experience and so on).

6. OVERCOMING FORMAL INSTITUTIONAL RESTRICTIONS

The situation is applicable to the specialist having educational document (note in the document justifying the right to do certain functions) but not mastering skills in this occupation enough. Therefore, the executive formulates the goal for him – to improve (restore) the formally noted competences. The teacher of foreign languages in comprehensive school teaches German. The second foreign language noted in the diploma is English which he has not practiced for some years on graduation from a high school. Evidently, that earlier acquired knowledge needs to be restored and it takes time costs.

Let us introduce that there are pretenders knowing English better from practical point of view:

- a translator who does not have a right of teaching.
- a specialist whose qualification does not let formally teach the language on the certain grade for example in senior high school as he/she has left a training school and is studying in college (high school) by correspondence;
- a teacher of other disciplines learnt English in informal way.

These applicants suit for position of teacher of English more in terms of practice. However there is institutional restriction expressed by absence of appropriate educational document (or appropriate note in the document) from them that. Organization can undertake the next staff measures:

- stimulate the most appropriate in formal features applicant to restore knowledge and skills or improve them in optimal for both parties way (without assistance, with assistance of private tutor, on the special courses and so on);
- stimulate the most appropriate in actual features applicant to bring them to conformity with formal institutional requirements for example to be taught in convenient for both parties way (by correspondence, in evening classes, distance learning, short-time courses, rising professional skills) to get educational document.

The next advantages follow from achievement of abovementioned objectives from informal training and staff development for employer:

- Cutting training costs;
- Rising staff flexibility and substitution;

- Growth of professional competences number per an employee and quality of mastering them;
- Cutting costs on recruiting marginal staff;
- Achievement of compliance with the institutional requirements in certain professional spheres;
- Forming aiming at team spirit and cooperation;
- Strengthening mutual trust between managers and subordinates;
- Development corporate interrelations in labor teams;
- Improvement of economic base of solidary team;
- Positive image of company as an employer oriented to continuous staff development and creating conditions for professional improving.

Let us note that in situation of limited number of functions in certain professional direction and groundlessness of recruitment of a special worker in economic, institutional, legal, moral terms as a result of unjustified costs on employment, adaptation and keeping personnel they apply outstaffing techniques.

Outstaffing techniques are sometimes not reasonable, for example:

- They are not desired;
- They are not optimal in terms of economy (that is it is practical to train available people);
- Though special works are not continuous, they are carried out occasionally.

In this situation the emphasis is made just on the policy of corporate development and training people for the purpose of rising their flexibility, substitution, labor productivity and performance as well as staff mismatch reduction in long-term out-look.

7. THE ROLE OF LABOR PRODUCTIVITY ASSESSMENT IN STAFF DEVELOPMENT

Considering economic component of effect of teaching and staff investment, labor division let us expose how reasonable for an employer is mastering each next following competence by an employee to do rising number of labor functions or increase labor performance. Indeed from economic point of view the whole worker's potential can be compared with human

capital whose successful investment provides dividends to its owner (employee) and user (employer). Russian scientist E. Korotkov analyzes human capital as the aggregate of following elements (Korotkov, 2010):

- Person’s education and his/her abilities to continuous rising educational level;
- System of professional knowledge, knacks and skills in their developing and enriching calls forth worker’s ability to labor in certain contents and complexity;
- Rate of competence, willingness to functions and role professional activity;
- Personal abilities development, mobility, motivation, dignity and health;
- Creative potential as a result of education and developing abilities, motivation of development and improvement;
- Psychological relationships in organization characterizing culture of activity;
- Elements of value system.

Realization of labor abilities is taken place in process of labor activity, which is determined kind and nature of labor dividing into the regulated and creative one. The first is based on the specified standards (ultimate indicators of production, labor productivity, using work time, quality of products) assigning realization limits of labor power. Productivity of such labor can be raised through its intension and optimal organization based on maintenance of physical, ergonomic, social and other parameters needed for successful fulfillment of manufacturing operations.

Maximal productivity standard of regulated labor activity is determined number of made products per standard hour. Generally the standard of maximal average productivity per standard hour of work time during shift is applied as a reference index. It is calculated as a proportion of general number of product units made during the whole shift and number of hours worked.

$$AP_I = \frac{Q_I}{h_W} \quad (6)$$

where AP_I – average productivity of an individual;

Q_I – production quantity made by an individual;

h_w – hours worked.

The perfect index proposes potentially the most permissible standard which should be oriented to. In particular F. Taylor (Taylor, 1992) subjecting to analysis time units provided for doing working operations wrote that it is more effective «perform observations of first-class workers if the such ones can be found but these people should only be observed when the work with maximal productivity. On receipt of «the shortest terms» for the first-class worker it is already not difficult to calculate the percent on which the average worker drops behind this record». Therefore, the founder of scientific management studied production conditions when maximal productivity is achieved.

In the calculation practice of this index some deviations from theoretically perfect variant as a rule are allowed as a result of various psychophysiological (tiredness, disinterested, depressive feeling and so on) and organizational (equipment error, resources delivery stoppage and so on) factors. Let us assume the perfect index of maximal average turner's labor productivity according to Taylor's methods (by perfect psychophysiological and production circumstances) proposes making 20 parts per standard hour of work time. In terms of facts based on analytical estimating (based on dates about maximal average productivity for previous periods) the standard equal to 18 parts is fixed.

Similar calculation method is partly applied in regard of intellectual labor proposing fulfillment of single-type operations during certain period of time too. Labor productivity is calculated by analogy. For example for translator working with technical literature the perfect maximal index is equal to 1,5 sheets per standard hour, the real one – 1,3. In the example the matter is about the translator doing translation of typical documentation (instructions to equipment) with similar vocabulary, word expressions etc. That is time costs on the translation itself are the lowest, typing and design take more time.

Both real indicators expressed in parts and sheets are reference either in an organization or on professional labor market in the whole. The fixed standard is a basic factor for remuneration of labor according to the result (in case of efficiency wage) or to standard output (in case of time-rate) in terms of employer.

On competitive labor market, the average standard affects determination of market average labor remuneration. The exposed divergence between actual and standard index just forms field for professional improving for an employee or applicant.

In regard of a worker getting remuneration according the result determined number of products units (efficiency wage) this mismatch is a direct stimulus to increase personal labor productivity (depending on strength, tempo, knack, quality) and effectiveness as the material factor is mostly determinant. As for time-rate so stimulation to more productive activity is a difficult task as level of labor remuneration is not actually changed.

The difference from the sample indicator is exposed through methods of observation of labor process (the most popular are the photo of workday, benchmarking, comparative estimating, analytical estimating and microelement analysis) and is compared to fixed indicators of standard output. By staff recruiting the calculating process of correspondence with benchmarks is much complicated and the result (the employee) is often far from ideal because of falsification and misrepresentation of information needed for applicant's assessment.

Analyzing the calculating mechanism in regulated labor process we conclude that the next results get by assessing worker's activity is a basis for his/her following professional development:

- *Difference between standard and real maximal worker's labor productivity* (level of real labor productivity is lower than the benchmark). In this case they recommend to worker to rise his/her professional level doing the same competences till productivity of labor is equal to the standard one;
- *Match of worker's real labor productivity to the standard one* (level of real labor productivity is equal to the benchmark). In this case the worker can acquire following professional competences doing prior labor functions at the same time as carrying out new professional tasks does not negatively affect qualitative and quantitative point of labor productivity in already fulfilled operations (for example seamstress carrying out homogeneous operations according to the benchmark can master other related functions in clothing manufacture);
- *Difference between standard and real maximal worker's labor productivity* (level of real labor productivity is higher than the benchmark). In this case it is desirable to worker to master following professional competences doing prior labor functions at the same time as carrying out new professional tasks does not negatively affect qualitative and quantitative point of labor productivity in already fulfilled operations (for example translator of technical texts can get down to studying economic literature for the purpose of improving his/her professional skills and so on);

- *Difference between standard and real maximal worker's labor productivity* (level of real labor productivity is lower than the benchmark) and this index has been not improved for a long time at that. In this case the worker can try to acquire following professional competences doing prior labor functions at the same time. If carrying out new professional tasks does not negatively affect qualitative and quantitative point of labor productivity in already fulfilled operations (examples with seamstress and translator are suitable) so training can lead to successful results both in new professional segments and in already fulfilled activity. Reorientation to settlement of varied tasks often stimulates the worker assisting his/her diversion and concentration.

However, the other variant is possible too: labor productivity reduction in both directions. That's why the employer should assume and carefully calculate all possible outcomes of switching over to related activity.

Represented variants are integrated in the table (Table 2).

Table 2: Economic reasonability of mastering additional competences

Variants	Improvement in already acquired competence	Mastering new competences
1 – level of real labor productivity is lower than the benchmark (in short-term period)	+	
2 – level of real labor productivity is equal to the benchmark		+
3 – level of real labor productivity is higher than the benchmark		+
4- level of real labor productivity is lower than the benchmark (in long-term period)		+

The case is somewhat different from productivity of creative labor. The activity of translator in abovementioned example is mostly related to the routine one. At the same time, activity of translator of belles-lettres is referred as the creative one as even by high mastery of a specialists translating process is not carried out by simple substitution of standard word combinations and their thinking takes much time. We can calculate maximal translating tempo on the assumption of the fact that translator reading a foreign text understands it automatically without using a dictionary and other assistants and created text does not require

additional editing. However, in most cases the translation requires additional editorship and reviewing requiring additional costs that are not come under instantaneous calculating – objective calculation is done at the end of work. Similar activity can be restricted by regulations – duration of work time, goal-setting in periods of time but as opposed to routine labor process consisting of homogeneous operations labor productivity here does not directly depend on strength, physical health, ergonomic factors. Certainly they affect significantly but creative mood, inspiration and other components with difficulty entered set standards play more role.

As for measurement of creative labor needed for assessment and exposure of worker's match to the benchmarks it is necessary to choose appropriate criteria that often are not reflected quantitatively. For example, it is difficult enough to measure labor of marketing expert, top-manager, designer in terms of quantity. In this case, either compatible units of measurement (points) are chosen or resultant criteria of match are determined, for example, performance indicators for month (quarter, year) that are formed based on general Key Performance Indicators (KPI) and transformed into labor indicators. So for marketing expert we can note following criteria:

- rising clients loyalty level;
- rising service quality;
- advertisement costs reduction;
- rising wants for available and prospective goods and so on.

It is not possible to determine level of accordance with benchmarks for creative labor during one day by the reason for absence of objective data. On the contrary assessment of regulated labor is fulfilled both in its process (in case of time-rate wage where efficiency of time costs and result is evaluated) and by final result for the certain period of time. Efficiency of such labor depends as abovementioned on its strength (tenseness, applied efforts), enthusiasm that is an individual factor and regulation, labor organizing, clear flowsheet that are organizational factors. The intensity is determined physical state, working capacity level, enthusiasm – psychological mood at that. Linear dependency is observed till the certain limit – the achievement of maximal average labor efficiency per standard hour (Figure 3), following which is diminishing marginal productivity as law of diminishing return enters into force because of limitation of physical factors (person's ability to work with constant return during continuous period of time).

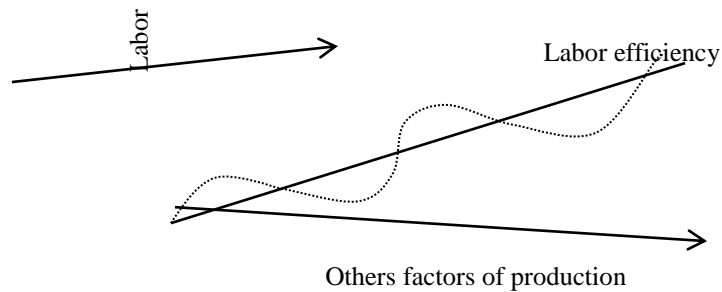


Figure 3: Linear dependence of labor return on labor potential and organizational conditions in regulated labor process

Creative labor efficiency dependence on appropriate factors is mostly nonlinear but stage-by-stage, in some cases uneven (Figure 4), leaps are occasional (heterogeneous), larger or smaller at that. So for example activity of marketing expert cannot immediately give any results that is his/her physical, intellectual, moral efforts lead neither to efficiency nor to return from economic point of view no to performance determined other indicators (rising clients loyalty level, rising service quality and so on) at once. Though a month (quarter, year) later result of his/her work affected improvement of financial and economic indicators can be larger in the aggregate (more efficient) than the same one of another specialists carrying out regulated (routine) labor for the same period of time.

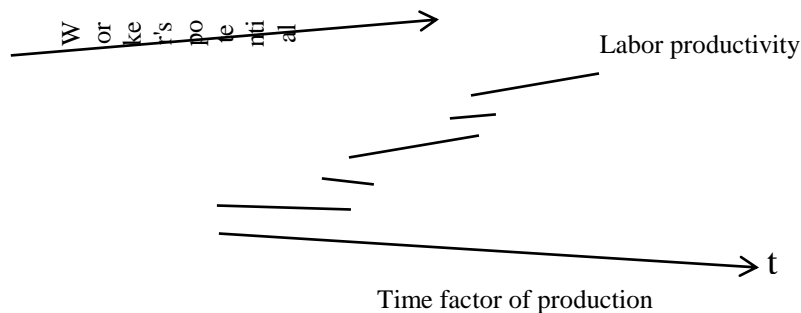


Figure 4: Uneven dependence of labor return on labor workers' potential in creative labor process

At the same time limits between regulated and creative labor are often indistinct as the same labor activity can be differently considered depending on its application, direction and subjective perception of a worker him/herself. So a hairdresser's working day can be varied from routine activity which can be easy regulated (in case of homogeneous operations) to the creative one (in case of creating original haircuts, coiffures and searching methods of approaching a client).

Therefore, by exposing matching to the benchmarks the matter is not so much about division of labor process into routine can be easy regulated and creative as about complexity of measurement and assessment of efficiency and performance of either labor. From this point of view labor can be divided into that:

- is subject to quantitative measurement (in labor process or according to the result per unit of standard time) – for example, labor of a turner, seamstress and other occupations whose result can be calculated in physical units of products;
- is indirectly subject to quantitative measurement (in compatible units – monetary, timely or other equivalents for example points) – in occupations proposing heterogeneous but related operations for example labor of a tailor, hairdresser, cook, translator and so on. Efficiency of more complex operations can be calculated by their reduction to simpler homogeneous operations;
- is assessed on the basis of achievement of qualitative match to the benchmarks – labor of marketing expert, top-manager, designer. For these occupations appropriate

qualitative criteria are determined according KPI transformed into labor performance indicators in HRM.

Optimal using worker's potential can be calculated on the basis of measurement of alternative labor expenditures and alternative return from labor applying the method of switching over to alternative functions. In organizational practice its application is possible in process of «experimental rotation» proposing horizontal replacement inside or outside subdivision in informal way. It is applied:

- *Firstly* for replacement in related professional segment for the purpose of determining larger return from labor and following exposure which kind of activity of two alternative ones is more efficient in terms of maximal output for both employee and employer. The method of calculation of alternative expenses between two related kinds of activity lets calculate maximal output for the certain period.

If alternative action gives a positive affect reflected in raising labor efficiency or performance so informal rotation is transformed in the formal one justified with institutional (legal) conventionalities by mutual consent of the parties. Advantages for employer are acquirement by a worker of additional professional competences, raising his/her mastery on internal labor market and ability to carry out more number of functions. Advantages for employee are decreasing monotony of labor, expansion of professional field and as a result rising quality and competitiveness of his/her labor power.

- *Secondly* this method is applied for the purpose of replacement of a worker into another subdivision in the same professional direction and competence that is determined mostly moral factors such as organizational conflicts, personal disaffection etc. If the worker is actually a highqualified specialist in his/her occupation so in many cases management is ready to create conditions for him/her in spite of his/her inability to adapt in certain group.

Calculating analysis of labor optimization based on absolute and alternative costs assists maximization of labor utility function by other equal production conditions.

For calculation of labor utility function maximization two or more kinds of activity which worker's potential involved into are analyzed. A standard hour is as a conventional unit, the result is measured in units of products or comparable units are measurable. This method is more convenient for regulated labor activity with time-rate and efficiency-rate wage when it is

necessary to determine labor productivity of a single worker, which is calculated as division of number of products for analyzed period (shift) into number of worked hours in according to abovementioned *formula 6*.

This formula has various applied points of application which let consider worker's efficiency and expose effectiveness of realization of his/her abilities from different points of view. *Firstly* involvement efficiency of staff potential carrying out regulated activity can be measured and compared in two or more alternative labor activities through experimental rotation. Workers are horizontally replaced inside an organization. On the basis labor efficiency of each activity is exposed. In the result manager based on objective dates about labor output can take various measures if labor efficiency in alternative engagement is:

- higher that real dates of efficiency justify – experimental informal rotation is transformed into the formal one and employee with his/her consent is replaced into another subdivision or provided with new functions;
- can be potentially higher – the employee can be replaced stage-by-stage without sharp jumps in basic activity for the purpose of smooth mastering in practice new professional competences or replacement of existing gaps through formal and/or informal training;
- significantly lower – this justifies current worker's unsuitability for held position.

Secondly in creative and less regulated activities in which it is not possible to measure end result in material items application of the *formula 6* has more broadened applied character in view of having authority by the worker to plan his/her labor process partly on his/her own even in the frames of general production cycle. It is determined the type of activities themselves, their orientation not to clear time regulation but to labor performance, for example in the form of project, implementation of the concrete idea and so on. The end time terms are fixed, to their finishing the worker should show the result. However, in the frames of these terms he/she varies available time depending on his/her own and related coworkers' productivity.

In the issue generally acknowledged rule in according to which labor efficiency depending on its intensity (strength) reflected in output of end products (calculated according to *formula 6*) can be accepted as a basis of calculating methods by carrying out homogenous operations by regulated activity. This principle is less applied by measuring labor expenditures and returns in nonproduction activity not having as a result manufacturing goods in direct materialized form. In connection with that in contemporary society various kinds of non-manufacturing

labor (non-productive services, getting and using information, management activity) acquired more grower popularity so it is reasonable to modify calculating methods according to abovementioned *formula 6*.

That is why the need for calculation of individual labor for the purpose of determining its optimal efficiency is arising. Calculation of average productivity is done according to abovementioned *formula (6)*, calculation of marginal productivity – as a difference between potential involvement by using aggregate n units of time and $n-1$ worked hours. 1 is considered here as a marginal hour.

The calculation is done per each of elements (functions) of individual activity. For example in marketing export's work doing daily some different functions (monitoring quality of competitors' service, analysis of return from advertisement, development of recommendations concerning to goods promotion improvement) average productivity calculation is done in each of elements. At the same time output of marginal productivity that lets calculate growth or decrease of average total depending on number of worked hours spent on one or another function gives clearer picture. The task of a manager (or worker him/herself) is to form such a combination of returns from labor expenditures (and as far as possible expenses of other production factors), in our case (for marketing export) three elements which maximal labor efficiency justified optimal application of abilities and distribution of worker's efforts during workday is achieved by. The calculation is done according to the next formula:

$$GOP_l = \sum_{i=1}^n (h_w * AP_m) \quad (7)$$

where GOP_l – general optimal productivity of an individual;

Σ – amount of maximal average efficiencies of single elements (functions, engagements);

n – quantity of elements;

i – number of element;

h_w – hours worked (expended on doing a certain labor function);

AP_m – maximal average productivity of an individual for hours worked planned to fulfill this element.

The calculation is significantly eased if dates in each engagement and each hour worked are placed into the table (tables 3, 4) that gives pictorial view of a worker's productivity change

during a working day and employment of various functions. It is calculated by both manager or authorized person and the worker him/herself. Its objectivity is risen if it has mutual basis (represented by manager and worker) that is it is confronted as a balance (table 7). In the whole such staff analysis proposes solution of the next tasks:

- Assessment of labor efficiency and performance in current basic activity;
- Assessment of labor efficiency and performance in alternative related activity;
- Assessment of workers’ abilities to professional development, training and switching over to alternative functions.

Table 3: Dynamics of productivity (Function A)

The whole working day	10 hours									
Working period	The first 3 hours			The second 4 hours				The third 3 hours		
Productivity per standard hour	1	1,2	1,2	1,6	2	2	1,6	1,2	1,2	1
Succession of working hours	1	2	3	4	5	6	7	8	9	10

Table 4: Dynamics of productivity (Function B)

The whole working day	10 часов									
Working period	The first 3 hours			The second 4 hours				The third 3 hours		
Productivity per standard hour	1	1,4	2,2	2,2	1,4	1,1	1,1	1	1	0,6
Succession of working hours	1	2	3	4	5	6	7	8	9	10

Based on dates in tables 3, 4 let us calculate optimal (maximal by given conditions) productivity and place the got results into tables (tables 5, 6).

Table 5: Interrelation of labor productivity and hours worked (function A)

Labor time, hours	Average productivity
10	1,4
7	1,371
6	1,5

Table 6: Interrelation of labor productivity and hours worked (function B)

Labor time, hours	Average productivity
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10	1,3
5	1,6
6	1,55
7	1,48
4	1,7

Let us make up the aggregate table of abilities to work of a worker in the given example (table 7).

Table 7: Distribution of abilities to work of a worker in fulfilled functions

Alternatives	Engagement A			Engagement B		
	Time, hours	Average productivity per hour (units of products)	General productivity (units of products)	Time, hours	Average productivity per hour (units of products)	General productivity (units of products)
1	2	3	4	5	6	7
A	10	1,4	14	0	0	0
B	9	1,4	12,6	1	1,7	1,7
C	8	1,4	11,2	2	1,7	3,4
D	7	1,37	9,59	3	1,7	5,1
E	6	1,5	9	4	1,7	6,8
F	5	1,5	7,5	5	1,6	8
G	4	1,5	6	6	1,55	9,3
H	3	1,5	4,5	7	1,48	10,3
I	2	1,5	3	8	1,3	11,2
J	1	1,5	1,5	9	1,3	11,7
K	0	0	0	10	1,3	13,0

The above stated table gives a chance to understand that maximal productivity is achieved at point E (9 units during function A and 6,8 units during function B). This calculation is the same according to *formula 7*.

The suggested calculating method of single worker's optimal productivity can be taken as a basis by implementation in an organization of skills grades system oriented to labor assessing when not position but the worker him/herself and his/her potential takes first place. This

system lets solve the question of optimization of staff number and structure to a certain extent that is especially actually for companies having problems in staff policy. The task of human resources management is in searching methods oriented to reduction of inside barriers preventing from rising labor productivity.

7. CONCLUSIONS

In the whole in contemporary management practice both non-production and production labor activity is based on new concept of labor division in principle of completeness operations. It is determined opposition of present worker to be involved into labor process on the basis of classic paradigm of specialization and cooperation (in according to Smith's concept) and technique of labor organization (in according to Taylor's concept). Changes in employment structure taken place for last decades create the prerequisites for professional self-realization on higher level which include:

- Circumstances for combination of different occupations;
- Relative freedom in choose of kinds of employment – hired labor or self-employment as well as combination of these kinds, their convergence proposing employment in organization and parallel functioning on external labor market with continuous supply of labor power;
- Possibility to influence not only of employer on the employee but on the contrary too – influence of employee on employer as a result of high quality level of workers and rising degree of person's socialization.

Application of the concept of optimal labor division makes staff substitution easier and assists all-round development of workers' professional abilities as most of them fulfill more different functions in comparison with the worker employed according to classic Smith's model of operations distribution.

To our mind active implementation of methods of flexible division of labor in management practice confirms the fact that they can «refuse human resources management as the aggregate of costs and to start their run as the aggregate of persons»(Drucker, 2010).

In this connection we can see that difference in performance labor nature depending on the essence of labor activity underlines using different components of workers' potential as

aggregate of psychophysiologic, skills and social characteristics. Managing his/her own potential the worker is able to distribute it and correct individual inequalities in form of uneven productivity. So *optimal distribution or optimization of potential* is the best of available alternatives by set working conditions (environment) distribution of intellectual, physical, personal-social (activated or prospective) individual characteristics which are directly or indirectly oriented to creating welfare having worth.

Organizational staffing with suitable workers (beginning from top-managers to day-to-day management) is a decisive factor of providing competitiveness in most spheres. Optimal staffing depends on suitability of each worker for held position and production environment. To achieve this objective on the first stage staff recruitment of appropriate qualitative and quantitative level on labor market is necessary. At the same time people's quality is not a constant indicator. Its criterion is changed coupled with business development, restricting, diversification of production. That is why the need for its constant improving depending on production circumstances is rising that determines want for its occasional test to suitability for standard characteristics.

If quality indicator in result of its testing is mismatch to made requirements the aim of management is creating conditions for adjusting in accordance of worker's professional level with production characteristics. One of the variants of achievement of this match is improving worker's potential and his/her teaching that is reproduction of personnel abilities to work relevant production development level and necessary for individual development. From this point of view process of reproduction of labor power is none other than forming human capital that is needed for rise and support through its investing. This investment is carried out both in material (training at the expense of a company, health service etc.) and in nonmaterial form (moral motivation, creation of organizational circumstances for exposure, development and realization of abilities) at that.

Purposeful forming and developing human capital of a certain kind enriches tools of management and so let rise organizational competitiveness, use new up-to-date techniques, arise production performance. Making an emphasis on staff development with minor expenses we propose that human resources management is aimed at optimization of worker's potential which assists rising production efficiency by specified conditions.

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