

ICEST 2020

International Conference on Economic and Social Trends for Sustainability of Modern Society

THE IMPACT OF CORPORATE MANAGEMENT ON STAFF DEVELOPMENT IN THE SECURITY STRATEGY

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Abstract

Personnel development occupies an important place in the corporation's economic security system and determines the priority direction of corporate governance. Popular phrases that "personnel decide everything" and "human resources are key" are extremely relevant today. Ensuring economic security is one of the main problems of corporate governance. This management subsystem interacts closely with the personnel development subsystem. The human factor in the corporation plays a very important role. It is people who influence the formation and further promotion of the company. Therefore, economic security and personnel development occupy a leading position in the corporate governance structure. The success of the company depends entirely on staff development. The future of the company depends on the implementation of personnel development work. Companies train staff to give them skills that will enable corporations to achieve their goals. The article may be relevant and useful for the further formation of a development strategy for large industrial enterprises in Russia.

2357-1330 © 2020 Published by European Publisher.

Keywords: Corporate management, staff development, economic security.



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1. Introduction

In the modern world staff is the main resource of the enterprise. Safety is a constant process aimed at stability of work, fulfilment of the main tasks of the company, prompt recognition and prevention of serious and undesirable operations on the part of company employees (Alaverdov, 2018; Arbatov & Vedev, 2018; Dorofeev, 2018; Korolev, 2019; Kuznetsova, 2019).

Arrangement of comfortable conditions for the staff development has a positive impact on the balance of the economic security system, and hence the effective protection of the company from threats and risks.

Staff training is the development of the company, strengthening its competitiveness, safety and stability in the market. That is how training should be positioned. Therefore, training in various forms strengthens economic security (Dedul, 2016; Parushina et al., 2013; Snitko, 2017).

Intellectual security - the level of possession of modern knowledge, introduction of innovations in the staff development, increase of the professional knowledge, skills, abilities level, stimulating initiative and abilities in accordance with the development of scientific and technological progress.

The development of HR technologies for staff training should be carried out taking into account the prevention of economic security risks (Fitz-Janž, 2006; Pakhunov, 2017; Mongush & Panasenکو, 2017; Korobkin, 2017).

2. Problem Statement

Corporate management of the economic security of the enterprise solves the problems of internal self-conception and forecasting from the point of view of performing its functions of management and operations, taking steps in defence of these functions. The strategic management of the economic security of the company is focused on ensuring the safety of production and management from the impact of external and internal origin, affecting the company's capacity, and taking steps to counter threats (Boxal & Perser, 2008; Ilnitsky, 2018; Simagin, 2013; Osmanov, 2018).

External negative impacts are actions, phenomena or processes that do not depend on the will and consciousness of staff and cause damage. Internal negative effects include actions (intentional or reckless) of company staff:

- weak organization of staff management system;
- weak organization of training system;
- inefficient employee incentive programme;
- errors in human resource planning.

Moreover, human resources in the past and present, and well into the future will be the driving force for development of any corporation. The economic security of the company depends on the level of human resources (Dovlekaeva, 2017; Furta, 2014; Leibovich, 2017).

The main corporate resources of an enterprise used to ensure economic security in general case may include:

- professional abilities of the corporation, primarily skills of managers and the level of staff qualification;
- training, professional development (trainings, courses, seminars within the company and beyond, the adaptation of new employees, new knowledge).

The main groups of staff safety criteria are: indicators of qualifications and intellectual potential; personnel efficiency indicators.

Thus, personnel security is an element of the integrated system of economic security of a corporation. Human capital acts as the main condition for the economic growth of the company.

3. Research Questions

Ensuring economic security is one of the most important problems facing any Russian corporation. In the general corporate management system, the security subsystem is closely related to the personnel development subsystem.

Now, the majority of companies in all sectors of the Russian economy face the problem of ensuring economic security. Economic security is a mechanism for mobilisation and optimal management of the corporate resources of an enterprise with a view to its most efficient use and ensuring the stable functioning of this company, and its active counteraction to all kinds of negative phenomena.

4. Purpose of the Study

The purpose of staff development in the economic security system of the company is to find ways to minimize risks and threats from employees.

In our opinion, it is necessary to solve two critical tasks to achieve these goals:

1. To consider the theoretical aspects of the impact of corporate management on staff development in ensuring the economic security of the corporation.
2. To offer recommendations on the development of the corporation's personnel in order to ensure economic security, forming strategies that solve the tasks with the highest productivity, minimum costs and technological reliability.

5. Research Methods

The theory of personnel management in its modern form is a system of knowledge about the role and place of an individual person (employee) and the human factor (a set of employees or personnel of organization) as an integrated and developing social and economic subsystem. The theory of personnel management is part of a higher level of the social and economic system, called organization (Dementieva, 2016; Molineks, 2018; Raspopov, 2018).

An organization, including a commercial one, is considered, first of all, as a social structure, a close-knit team of employees, a kind of working family, in which relations of cooperation and mutual assistance prevail.

Any actions and processes should be controlled so that they do not arise randomly and do not occur spontaneously. The management theory and practice are called upon to meet these tasks under the dominance of exchange or market relations.

Management refers to the complex process of ensuring the targeted production and business activities of the organization, the efficient and reliable use of the organization's resources, which is based on a system of principles, methods and management functions, on the regulatory framework and organizational structure of the company that adequately meet environmental conditions and requirements.

At the same time, general or system (corporate) management, i.e., corporation management as an integrated organization, and personnel management (functional management), i.e., human resources management of an organization in the direction of achieving the strategic goals of the corporation (company), are distinguished.

Formation of exchange relationships in Russia at the end of the twentieth century was closely related to the study and borrowing (often formal and literal) of management technologies of the USA and Western Europe. This trend was also developed in the field of personnel management, which was reflected in the application of a number of foreign categories (concepts) in the scientific and educational literature of our country, as well as (although less frequently) in the practical work of organizations (Armstrong, 2005; Kobysh, 2017; Pyzhova, 2014).

Human Resource Management (HRM) is strategic and operational planning and appropriate management of the organization's human resources to achieve the organization's goals by capacity development and maximizing the potential of its human resources.

Human Resource Development (HRD) is an activity aimed at capacity development of both individual employees and the entire staff of the company in order of rapid, efficient and reliable development of the company and achievement of its strategic goals.

It is assumed that corporate management can and should meet the challenges of "growing shared knowledge, guidelines and rules", strengthening trust to the organization on the base of "strengthening internal public relations", studying and "following corporate principles and values," which contributes to the development of personnel.

Well-known modern management theorist Peter Drucker in his work "Management Tasks in the 21st Century" (Drucker, 2004) outlines "8 principles of organization - the leader of change". Here is a summary of these principles presented in the author's edition:

- 1) release of resources from the existing organization and their transfer to innovative projects. This means that it is necessary to constantly conduct an analysis of production efficiency. It is necessary to timely release resources (primarily experts, qualified workers and innovation managers) from conservative, low-profitable, non-promising assets, and then quickly retrain the released workers;
- 2) implementation of innovations in the "pilot" areas. For that reason, these areas should be provided by employees trained in advance and in a new way;
- 3) critical analysis of all spheres of action of the company and all its products, improvement of the obsolete or its replacement with a new one. Involvement of a new type experts - synthesized

- analysts, that is, marketers, technologists, economists, lawyers with consolidated knowledge, etc.;
- 4) focusing on the unimproved opportunities of the organization. The need for staff in a new target area - synthesized industrial workers, and additionally - technologists, economists, financial and logistics experts, etc., who are also well versed in forecasting and planning;
 - 5) initiation of changes, which requires constant analysis of competitors and related fields of knowledge, strategic vision of new opportunities for the organization. The need for a new level expert, representing a synthesis of computer scientists, economists, analysts, marketing and financial experts;
 - 6) ability to avoid "traps" associated with incomplete information, economic security and its uncertainty. The need for experts, in addition to the basic qualifications, who are able to work in conditions of uncertainty and high risks;
 - 7) attraction of all types of resources for work with innovations, including special innovative (venture and other) financing funds and material and technical elements. The need for experts to manage reserve and risk management;
 - 8) confidence building both within the company and with its main partners. The need to introduce psychoanalysts and psychotherapists into the staff management services; development by lawyers of new contract forms of cooperation based on mutual trust, economic security and mutually profitable partnership relations, etc. On the practical side, this requirement means that the development of company staff must be imbued with a "team spirit".

Management practice focuses on a person as a personality (a person - the centre of economic activity - the so-called anthropocentrism), team-spirit (cooperation), cooperative decision-making so that employees can multifunctionally meet the goals and objectives of the company. Personnel development is a strategic factor and the core of the management system. A high level of labour productivity is achieved through the efficient use of human resources.

Strategic management of the human resources of a company can and should become the most important unit (section) of the strategic development management system of the company, as well as an element of corporate management. In turn, the strategic development of personnel can and should become one of the priority areas in the company's staff management strategy, so that the latter can comfortably enter the overall corporate strategy.

The practice of staff development in the USA, Japan, Germany and other European countries has shown that the maximum effect is achieved if the staff and each employee have motivation to achieve high professionalism. Such motivation is developed as a result of a reasonable personnel policy from the point of view of economic security. It is based on a careful attitude to human resources, non-economic and material incentives for workers, and the creation of favourable social conditions. Leading countries in the 70-80s of the XX century realized that successful competition on the world market, high rates of scientific and technological progress are impossible without constant staff training. Today, the achievements of Japan and the USA in the field of personnel development are being adopted by many foreign and Russian companies that perceive effective innovative management as an essential component of economic growth (Becker et al., 2007; Huzlid, 2008).

HR services of large, stable operating companies are set out to train and educate managers and new type experts, combining professionalism with high personal potential, the ability to lead in changing conditions, forecast, plan and ensure the implementation of goals. The companies are developing a system of goals aimed at increasing labour productivity and product quality. The main goal of such work with management personnel is to encourage them to use the most of their opportunities through career growth in the interests of enterprise.

“Personnel” section of any business plan of corporations contains whatever is required for personnel development, mastering production tasks, expanding and modernizing it, improving work efficiency, quality, and competitiveness of products and services. Today it has become a common opinion that the effectiveness of the development of a corporation largely depends on the amount of funds invested in the development of personnel.

Corporate management can and must educate its employees at the expense of the company's resources. Corporation management should provide an opportunity for employees to improve their qualifications in a similar way, increasing the economic security of the corporation, which today is shared by the owners and top managers of many Russian leading companies, including leaders of corporations in the oil and gas industry.

6. Findings

Gaining new knowledge is becoming an important tool to increase the efficiency of the company and its economic security, as:

- modern information and communication technologies make it possible to constantly exchange ideas and information;
- decisions making is more reasonable, quick and cheap;
- cooperation is strengthened with the help of self-organizing groups;
- the degree of effectiveness of relations with consumers is increasing;
- the learning organization becomes an effective form of continuous change management.

These circumstances require a significant expansion and change in the priorities of personnel development from:

- following achieved goals and results - to the long-term objective setting (during training) of the company's development and establishing client requirements identified in this way;
- short-term objectives - to medium-term priorities and long-term programs;
- qualitative performance rates - to quantitative (calculated);
- fixed rules and work procedures - to flexible (partnership) relations;
- expectations and fulfilment of instructions - to creativity and independence in making responsible decisions;
- time efficient tactical plans (as has already been done) - to strategic (what else needs to be done).

It can be noted that the information effect or increased level of publicity of a company is defined as an indicator of the quality of the state and use of information for a combination of attributes (including accessibility, flexibility, value, security, etc.). This information impact causes a certain reaction in the market. Information technologies provide the search for the necessary knowledge, quick and free access to it and are an effective means of communication, exchange and extension of knowledge. Therefore, it is possible to identify the main directions of the impact of personnel development on the economy of the company and its economic security, assuming that training is focused on customer satisfaction (effectiveness) due to the optimization of activities (efficiency):

- achievement of a higher level of effectiveness of management decisions;
- acceleration of new ideas generation;
- increase of the creative potential of all the staff;
- professional development of experts, and as a result of this development – increase of economic returns on each ruble of invested capital;
- improvement of capacity utilization by improving the quality of preproduction and ensuring its rhythm;
- improvement of labour protection, industrial and environmental safety;
- quality improvement of preproduction engineering.

Highly qualified employees become a significant competitive advantage, allowing the company to achieve more effective results. Staff development becomes the basis for implementing the company's development strategy, which is inextricably linked with it and strongly defines this strategy. An integrated approach to the formulation and implementation of a package of strategies, including a personnel development strategy, is shown in Figure 1.



Figure 01. The hierarchy of strategy development

A hierarchy of staff needs is modelled on this basis. It can be based on the structure proposed by A. Maslow in his “hierarchy of needs”:

- training (education) is necessary for survival, because it allows to earn money for satisfaction of growing needs of staff;
- education provides safety guarantees, protection of personnel from potential threats;
- the need to belong, to be accepted as a member of any social group that is significant for the staff, the circle of kindred people (professional affiliation, in the company)
- the need for recognition and respect for self-competence of professional peers, for self-respect;
- the need for the realization of capabilities and professional development.

This is due to the need to understand and know yourself, to reach the possibilities of self-development, self-management in accordance with certain priorities.

7. Conclusion

Unlike tangible assets, intangible resources are compact, mobile and quickly lose value without renewal. World-class companies update them with flexibility, tendency for learning, and drive for collaboration. They invest in better concepts, mobilize ideas and experience, take care of the knowledge and skills of their employees, alliance with other companies to expand their competence and achieve

common goals. Personnel development work in large industrial corporations has become a continuous, carefully planned and controlled process.

The experience of corporations proves that success will accompany a company if it develops corporate, functional, business strategies aimed at active use of the internal potential of the company to change the external environment, rather than simply adapting to it. Neither the development, nor the implementation of an effective strategy, nor successful organizational changes are possible if the company does not have a functioning model of personnel training and personnel knowledge management, management culture.

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