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# INNOVATIVE ACTIVITY AS A QUALITATIVE CHARACTERISTIC OF PERSONNEL

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#### Abstract

This article is devoted to the study of innovative activity of the personnel as a significant factor ensuring the competitiveness of the company. The significance of shifting an employee from the status of a "passive executor" and his obtainment of the status of an "idea generator" who initiates rationalization proposals as well. Significant positions of the formation and development of innovative activity of staff, such as the organization of activities on a permanent basis, management concernment; a wide range of areas of improvement that goes beyond the production process; involvement of personnel from various fields, not excluding the compilation of their actions; demonstration of the results of the implementation of the proposals, ensuring their succession, etc. The organizations' parameters classification of innovative activity according to the following features: the institutionalization form, the personnel coverage, the motivation nature, approaches to informing. Theoretical provisions, submitted for discussion, are illustrated with factual (fact-based) material (national and foreign companies). The role of corporate culture is pointed. The innovative activeness of the personnel is considered from the perspective of a compilation of two strands - ability and readiness to initiate changes that served the basis for the identifying the tools to form each component. This approach is analyzed on the basis of the organization of rationalization activity in the "Russian Railways" OJSC. The formation of a peculiar cycle based on a self-sustaining increase of the labor resources has been proven.

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### 1. Introduction

The formation of quality features of personnel oriented only at the required level of performance of direct responsibilities is clearly not enough to ensure the efficiency of production in circumstances of high mobility of the economic environment. The production parameters, perceived by the employee as a given (even if they change and require the formation of additional competencies), stipulate the routinization of his activity in terms of mechanical (automatically forming) labor productivity. The staff, having adapted to the new requirements, again acquires the status of a "passive employee", which can be avoided by creating conditions for the permanent interest of the former in terms of improvement of the production organization. By doing so it is referred to as the formation (and following development) of the innovative activity of the personnel, implying active involvement of employees in the revealing the measures to raise effectiveness of the company.

#### 2. Problem Statement

Not only vigorous activity is significant, but also a number of related provisions enhancing the understanding of innovative activity:

- organization of activity on the constant basis;
- concernment of the management team;
- the wide spectrum of improvement directions going beyond the frames of the production process itself:
- as a consequence, involvement of personnel from various spheres not excluding compilation of their activities;
- demonstration the results of proposals realization, which provides their succession.

The thing is not only and not so much about significant transformations as about employee involvement into improvement of technological operations, workplace organization and others (including rationalization proposals). According to the reports of Russian companies abovementioned personnel activity is identified after the period of slight drop – thus in the "Russian Railways" OJSC only in 2014 29 394 employees took part in the rationalization activity which provided economic effect for the company from launching these proposals and it equaled to 716.7 million rubles (Report on innovation activities in the "Russian Railways" for the period of 2007-2014, 2015).

Therefore, the significant problem is identifying the conditions for building and development of innovative activity of the personnel reflecting qualitative reforms which concern employees (as far as their readiness to initiate changes) as well as organization of functioning of the company itself (which is the initiator of the reforms and the beneficiary).

### 3. Research Questions

Abovementioned provisions bring up to date the set of questions concerning wider usage of knowledge, skills and abilities of the personnel:

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- the conditions of building the innovative activity of personnel;
- factors defining the character/intensity of innovative activity of personnel;
- identifying the company's role in the process of building the ability and readiness to initiate changes by the employee;
- approaches to compilation of combined efforts of the company and readiness of the employee to form and take part in the process of changes.

# 4. Purpose of the Study

The purpose – is the research of innovative activity of personnel as a constantly developing qualitative characteristic of personnel from the perspective of compilation of efforts of a company and an employee itself.

#### 5. Research Methods

Within this research there have been used the system approach of study the set of economic relations occurring within the process of building and realization of innovative activity; monitoring methods and comparison method as far as research of compiled experienced in the sphere of personnel innovative activity; methods of analysis and synthesis – in terms of identifying the component of innovative activity and instruments of compilation. Factual basis of the research is based on the activities of national and foreign enterprises.

## 6. Findings

The nature of personal innovative activity to the large extent is predetermined by the following parameters of its organization:

- 1. The form of activity institutionalizing:
- formal, enshrined in the company's regulatory framework for example, "Rostelecom" has developed a long-term personnel transformation program, within which initiatives are being carried out to improve the productivity and level of employee engagement and the development of new high-tech products ("Rostelecom" PJSC social report, 2015);
- informal is an initiative of the company's employees for example, a proposal by an employee of the Moscow branch of Sberbank to replace folders for storing the credit files of borrowers with the plastic files it provided the organization with an economic effect of 29.9 million rubles (The official site of the consulting group BITOBE, n. d.).
- 2. Personnel coverage:
- covering all personnel of the enterprise for example, the launching of the concept of
  continuous improvement by "Siemens" company is carried out under the slogan "Who has
  stopped to become better, has stopped to be good!" (Production Management. Kaizen, n. d.);
- focused on a specific group of employees / activity in pursuit to find and retain rare specialists for the domestic market (game designers and programmers), "Nival Interactive" has created its own system of motivation for these employees, including the possibility of

participating in projects and training during the work with domestic and foreign colleagues; wages that are higher than industry average; work schedule without a clear and strict timetable; organization of the office space in accordance with stuff wishes, etc. (Stuff motivation – 5 examples of successful decisions, n. d.).

#### 3. Motivation characteristic:

- Material for example, in the "Rusagro" company the author of an idea gets a T-shirt with the symbolic phrase "Your idea works" and a slight premium. Then an employee gets an additional premium depending on the size of economic effect (How to motivate stuff for rationalization proposals, 2015).
- Non-material by doing so the "Google" practices the "Pause for innovations" in the search for new ideas for the business (around 20% of a labor hours) (The truth about Google's famous '20% time' policy 201, 2015);
- Combined the "Alcoa" company exercises a proposal' raising from employees with the frames of "Stop losing"; in addition to material incentives, the company stimulates employees as follows: each offer adds 50 rubles to a virtual piggy bank ("Barrel of Honey"), which funds are spent on charitable purposes or to improve working conditions (Production Management. The decent offer, 2012).
- 4. The approach towards informing about the results of launching the proposals:
- limited (individual and/or within the frames of "initiative group") refers to the discussion or notification about the results within stuff group only;
- limited, extending to all personnel for example, Hyundai Motor Manufacturing Rus (Russian plant of Hyundai Motor) developed a system of rationalization proposals aimed at motivating staff involvement in the process of improvement the quality of cars, development of business processes and resource saving (Production management. Andrey Fedotov: Our employees know what is "New thinking. New opportunities", 2015).
- Creating the conditions for the formation / development of innovative activity to a large extent depends on the readiness of employees to participate in it, connected with the construction of a system of internal interactions that forms the appropriate motivation (Saksina & Bebnko, 2013; Shiryaeva, Pertseva, Lapshina, & Lapshin, 2017).
- The role of a corporate culture aimed at the development and building the valuable orientations of employees in terms of readiness to initiate changes, perceive them and adapt to them (for example, The Rosneft Standard "Organization of Innovation and Inventive Activity") is very significant. Meanwhile, a number of authors note the mutual influence of corporate culture and personnel innovative activity, which is reflected not only in the cultivation of the environment enabling the manifestation of workers' initiatives, but also in the need to form new guidelines (Belkin & Belkin, 2010; Belkin, Belkin, Antonova, & Luzin, 2014).

However, it is important not only to form the perception of changes as an integral component of effective work, but also their ability to generate them, determined partly by the level of readiness of the employee, his understanding of the production process – this is about the professional qualification

characteristics of the staff. Thus, innovative activity is the result of compilation of corresponding elements of the corporate culture and company's investment into training/advanced training. In other words, it refers to not only readiness but also about ability of employees to behave actively and innovatively (Figure 01).

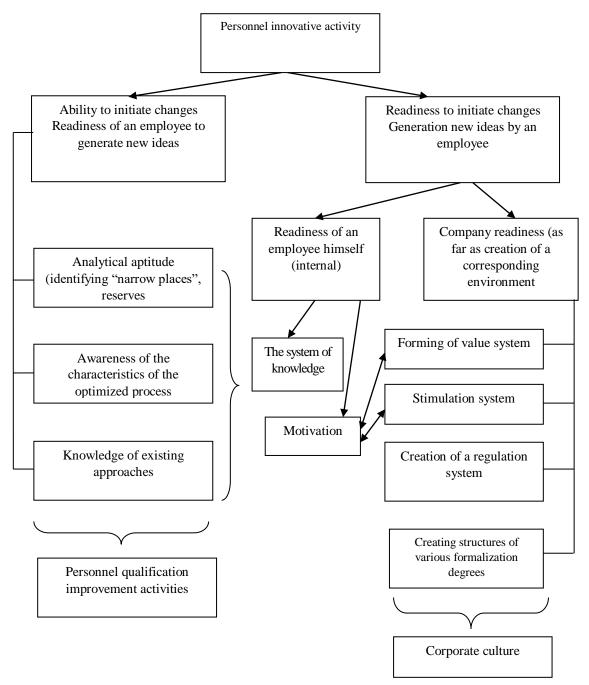


Figure 01. Components of the personnel innovative activity

The textbook example of these data blocks compilation demonstrates the activity of "Russian Railways" OJSC. Primarily "technical" basis is created in the company what in its turn define key moments of the innovative activity (Report on innovation activities in the "Russian Railways" for the period of 2007-2014, 2015):

- The organizational structure has been adapted (issues of regulation and control over rationalization activities are within the competence of the Office for Intellectual Property Issues; the staff responsible for organizing this process according to the management hierarchy is defined);
- There has been developed a number of regulations defining the procedure for submission, evaluation of the effectiveness of the proposal, the reward system for authors, etc.;
- There has been determined the direction of rationalization proposals (thematic plan);
- A budget has been defined.

The company provides for both material incentives, depending on the size of the annual economic effect (up to 9%), and non-material (conferment of titles, award with certificates of honor, award pins, etc.). In order to make rationalization activities more popular, an annual review competition and thematic events are practiced. The same goals are aimed at informing employees. "Russian Railways" also invests in the advanced training of workers, creating a basis for generating innovations through expanding / deepening the knowledge of workers, allowing them to evaluate the existing approaches to the organization of production from a different angle. Only in 2017, 7329 people were sent for training by structural divisions of the company.

#### 7. Conclusion

By adopting innovative activity of personnel as one of the value orientations of operation, the company simultaneously kills two birds with one stone:

- ensures the growth of labor productivity (by increasing the level of professional training of workers);
- gets an additional economic effect due to optimization of production processes.

At the same time, a peculiar cycle is formed, based on a self-sustaining growth in the quality of labor resources – the achieved level of personnel training which provides the company with a positive effect as far as the above-mentioned components, is the starting point for the subsequent growth of indicators. This is how the prerequisites are created for the continuous improvement of the qualitative characteristics of personnel as one of the most significant factors in ensuring the competitiveness of a company.

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