MANAGEMENT OF COMPETITIVENESS OF EMPLOYEES OF ORGANIZATIONS BASED ON THE DEVELOPMENT OF THEIR CORE COMPETENCIES

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ABSTRACT

Formation of competitiveness of employees at the present stage of development of economic relations is the subject of study of economists (within the framework of the labor economics, personnel management, etc.), psychologists (from the position of determining the influence of one or another factors affecting the need and willingness of an individual to develop his professionally significant qualities, which ensure competitiveness), teachers, sociologists and specialists in other scientific fields. Modern negative trends that significantly change the field of work: remote employment, mass technology introduction and digitalization of labor functions previously performed by people, innovations in labor processes, etc., inevitably increase competition in the labor market and actualize the need to investigate the factors that ensure the advantages of employees in the struggle for the job.
Competitiveness of personnel has a significant impact on the company's competitiveness, since human resources are an important element of the company's efficiency. In today's business, the competitive advantages are taken by those companies whose personnel work efficiently and effectively. Thus, the tasks of the company's HR service include activities aimed at ensuring the professional development of employees, increasing their competence level and matching the positions they occupy. Increasing the core competences of personnel is the basis for managing the competitiveness of employees of organizations. The key method of formation and development of core competencies is the system personnel policy, focused on the development of corporate training practices oriented to those competitive advantages of employees, which should be formed by developing competences in the current and forecast periods. And those companies that consistently implement and actively use the benefits of corporate training have the opportunity to quickly influence the competence profile and level of their employees, manage their competitiveness and ensure a stable market position for the company as a whole. The article considers the experience of foreign and Russian companies in implementing the system personnel policy aimed at the formation of corporate core competencies that ensure the competitiveness of employees in the domestic labor market.

KEYWORDS: Competitiveness, employee, corporate competencies, qualifications, development

1. INTRODUCTION

Formation of competitiveness of employees at the present stage of development of economic relations is the subject of study of economists (within the framework of the labor economics, personnel management, etc.), psychologists (from the position of determining the influence of one or another factors affecting the need and willingness of an individual to develop his professionally significant qualities, which ensure competitiveness), teachers, sociologists and specialists in other scientific fields. Modern negative trends that significantly affect the employment, i.e. remote employment, mass technification and digitalization of jobs previously done by people, innovations of labor processes, etc., inevitably increase competition at labor market and actualize the need to study factors ensuring the advantages of employees in their struggle for workplace.

Competition is an integral component of economic relations and interactions occurring at any type of markets, be it resources market, market of goods and service or labor market. A number of authors studying manifestations of competitions at labor market note that "competition among employees at labor market is a process of employees management of their competitive advantages within existing rules and regulations to obtain prestigious job at external or internal labor market".

Thus, competition at labor market may be seen as a socio-economic phenomenon stimulating development in market subjects of qualities responding to the existing demand for labor. Combination of these qualities, such as personal, professional, cultural, etc. allows individual to demonstrate the one or another advantage compared to other subjects in possibility to meet the demand, i.e. ensures competitiveness.

2. THEORETICAL ASPECTS

Having analyzed academic literature it can be seen that authors show vast diversity of points of view in respect to factors ensuring one or another competitive advantage of employee at labor market.

So, in particular, speaking about competitiveness of employee (specialist, manager) at domestic labor market, Russian Economist, R.A. Fatkhutdinov notes that this is "...ability to comply with technology requirements in respect of all parameters (quality, quantity, expenses, terms); competitiveness of specialist is an ability to develop competitive documentation for the facility; competitiveness of manager is an ability to develop a system of ensuring competitiveness of said facility, and to manage the team in achievement of system objectives" [4].

And according to S.I. Sotnikova, "competitiveness of employee is an ability of to achieve high performance results representing a contribution to realization of entity goals" [9].

Personnel competitiveness has significant impact on competitiveness of company, as human resources are essential for entity efficiency. In modern business competitive advantages are gained by those companies whose personnel works in concert and therefore effectively. Thus the objectives of HR department of company shall include measures aimed at ensuring professional development of employees, increase in their competitive level and compliance with office held.

3. COMPETENCIES MODELING IN THE PRACTICE OF RUSSIAN AND FOREIGN COMPANIES

Nowadays many companies use competence as a basis for personnel management. Competence approach is very convenient for combining business aims with requirements for quality of knowledge and skills of employees. Through competences the company can arrange management of both people and business processes in such a way as to make business purposes achievable. And having or lacking required corporate competences by employees is criterion for making personnel decisions.

So according to major study of Stanton Chase International conducted in Serbia in 2014 on basis of 300 companies of small, medium and large business (over 18,000 respondents) only relatively small number therefrom (4.9%) does not have certain competences required to personnel for effective development of company. Others have policies regulating basic, general and/or professional competences.

In companies where they are not defined, main criteria in process of selection, rotation and promotion of employee are references and work experience. Where there is clear understanding of required competence checklist of employee, the list of competences is used for annual appraisal and bonuses, as well as for planning and implementation of programs of retraining and improvement of professional skills.

Let's discuss some of study outcomes.

Answering the question "What types of competence are defined in your company?", respondents named the following options:

- general (for all employees) - 35.6%;
- professional (ex officio) - 46.5%;
- managerial (for management) - 22.8%;
- all of above - 26.7%;
- "Not defined in our company"- 4.9%.

As a criterion for taking one or another decisions, corporate competences are more often used in process of selection of candidates at hiring (71%), annual appraisal of employees performance (62%), promotion to other/higher position (51%), talent management (48%), and for determining candidates

for additional training (43%). At this, main methods for assessing the level of competencies are such monitoring methods as:
- interview with applicant/employee - 91.9%;
- simulations - 25.3%;
- tests (skills and knowledge) - 38.4%;
- other - 4%.

Those companies that have no "competence profile" in selection of applicants are looking at results of interview, analysis of personal profile, assessment of knowledge (and examination, when necessary) as well as references (46.6 %), previous work experience (46.6 %), education (32.9 %), and etc. (4.5 %).

Answering the question "What in your opinion are the main problems of forming necessary corporate competencies among staff?", respondents identified the following:
- poor understanding of essence and contents of competences - 56.5%;
- feeling competence is not applicable in practice - 8.7%;
- insufficient awareness of existence and content of staff competencies - 55.4%;
- lack of interest of Management in formation of competences - 29.3%;
- insufficient activity of management on formation of competences-17.4%.

Models of competencies are developed at different levels. This means that there are at least two levels of competency models, i.e. corporate model and individual model of competencies. Corporate competency model is developed as a company standard consisting of several clusters of competencies. Individual competency model is, in fact, employee's competency profile which consists of a set of key competencies an effective employee shall have.

In dealing with competencies the hardest challenge is to directly formulate and form "the portfolio of corporate competences". When HR specialist has a task to develop a competency profile a whole range of challenges and issues arise, i.e. how to designate competences, which one to choose for corporate model, how to formulate description and rank value thereof for work in company.
For example, in DHL list of competences is rather short and single for all employees independently on position in the hierarchy.

Each competence is assessed through positive or negative behavioral manifestations. Negative behavioral manifestations are, consequently, absence of certain knowledge, skills affecting the performance.

Corporate competency model of State Corporation "Rosatom" consists of 7 competencies, their definitions, as well as positive and negative indicators (descriptions of behavior).
Due to variety of goals and objectives of the Rosatom State Corporation employees there are highlighted 2 levels of competency model:
Level 1: Leaders
Level 2: Specialists

Table 1. State Corporation "Rosatom"corporate competence «Team work»

	SPECIALISTS		**LEADERS**	
Definition	**Focuses on the team purpose. Perceives as his team not only their colleagues but also colleagues in the division/directorate and throughout the nuclear industry. Builds honest and open relationships with colleagues. Contributes to the resolution of conflicts.**		**Focuses on the team purpose. Builds honest and open relationships and exchanges necessary for the operation public information with colleagues. Adheres to established rules, maintains an atmosphere of cooperation.**	
Indicators	**POSITIVE**	**NEGATIVE**	**POSITIVE**	**NEGATIVE**
	Builds and retains effective team selects qualified employees for the tasks units.	Selects employees from among friends or like them people, focusing on the qualification in the second turn.	Making decisions is guided by the interests and purposes of the unit team.	Makes decisions guided by personal benefit or the benefit only of his unit, does not take into account the interests of

				colleagues or related entities.
	Makes decisions guided by common interests, goals, team, enterprise.	Makes decisions guided by personal benefit or the benefit of his unit, does not consider the interests of adjacent units.	Effectively coordinates its work with the work of colleagues, including from other departments, actively participates in joint ventures with other departments projects, even if it is beyond his direct responsibilities.	Doesn't discuss with colleagues working questions to address common challenges, exchanged views. Trying to do only my part, avoids participation in joint with other departments projects.
	Provides timely and complete information to colleagues at their request.	Doesn't share information, necessary for them, with colleagues.	Provides support and assistance to other team members.	Doesn't give support to other members of the team even if he has such opportunity.
	Encourages others to share open information and in common to solve the general problems.	Doesn't encourage others to share information, forms the atmosphere, adverse for discussion.	Provides to colleagues necessary information.	Doesn't provide to colleagues information, necessary for them, in full.
	Creates and maintains a friendly and respectful attitude in a team with colleagues from their own and allied departments.	When interacting with colleagues demonstrates disrespect (disregard), creates and maintains a negative attitude towards colleagues from allied departments.	Creates and maintains a friendly and respectful attitude with colleagues from his own and allied departments.	When interacting with colleagues demonstrates disrespect (disregard), creates and maintains a negative attitude towards colleagues from allied departments.
	If there is disagreement with colleagues finds a solution that is acceptable is a reasonable compromise.	If there is disagreement with colleagues rigidly insists on its decision, does not compromise.	If there is disagreement with colleagues finds a mutually acceptable solution is a reasonable compromise.	If there is disagreement with colleagues rigidly insists on its decision, does not compromise.
	In collaboration with colleagues and subordinates provides rules of joint work, the algorithms of a solution that is equally responsive to all interests.	Generates rules, collaboration, decision-making, based on their own interests or the interests of their departments.	Follow the rules of interaction, decision-making, even if they are contrary to its interests.	Refuses compliance with the rules and decisions based on their own interests.

Source: developed by the author

Part of competencies, such as, for example, "Result orientation" require the same behavior at all levels. Therefore, some competencies may relate to all levels of employees of State Corporation "Rosatom". Back in 50-th of last century specialists of Japanese Center on Improvement of Productivity noted that "... industry and governance are first of all human resources and main problem is to provide industries and governing structures with qualified personnel" [1]. In mid-80-ies American corporations spent on education and training about USD 60 billion, and at their own entities there were trained approximately 8 million people that is about the same as in the United States universities. Training within firms or special education centers is likely to complement knowledge gained at school or University, adapts it to production needs [8]. 75% of firms have training programs for personnel. In average US firms spend USD 263 per one employee for training programs [5].

Generation of corporate competences under conditions of inter-company training is a dynamic cycle that German researches, S. Lutgens, O. Schmidt et al. abbreviated as "AKTION", where:
A - Analyse - "Analysis" is the state of business (analysis of staff opinions, setting goals, developing strategies, planning development program);
K - Konzeption - "Concept" stands for tips, advice on conducting strategic communication;
T - Text - "Text" is for creative design, information processing, use of technical means of training;
I - Implementierung - "Implementation" is decision making, planning, cost and timeline;
O - Operation - "Operation" is re-distribution of planned activities according to planned program of development;
N - Nacharbeit - "Improvement" stands for evaluation, efficiency analysis, correction [6].

4. THE COMPETENCE OF THE STAFF AS THE OBJECT OF MODELING

Neither in foreign nor domestic business practice has developed a sort of managerial constant with which corporate training aimed at forming required competences of employees would become integral part of HR policy of the company. However, some studies indicate that according to business owners and managers "...organization of employees training allows to ensure required professional skills which for one or another reason was not formed thereby during basic vocational education. In most of cases reason for low professionalism of employees is work not according to specialization, that naturally requires learning basis of entity activities as well a deeper knowledge in specific industry, technologies, materials, etc. And organization of employees training promptly and effectively rather solves the issue of "tuning" the employee for required professional norms arising from duties of such employee.
Moreover, employees training forms their loyalty and reduces personnel turnover, however, as it was already noted some respondents mentioned that after training (organized and paid for by employer) their employees left to other companies. However, this is rather an exception than a rule" [2].

It seems appropriate to mention some of results of survey conducted by the Russian School of Management (RSM) in partnership with HR exchange orders and information HRTime.ru and Integrator "IMAGE". A study on topic "Development of employees in an era of change" showed how the attitude of companies towards professional development of personnel has changed during difficult economic conditions [10]. 300 business owners, top managers of companies, directors, HR-managers from all over Russia took part in survey. The study was conducted among representatives of companies from different fields of business and with different number of personnel, from small entities with a staff of 50 people to holdings with over 3000 employees.

According to results, despite downturn in development of different business fields, number of personnel in more than half of companies for the last year either increased insignificantly or remained at the same level. At this over 80% of respondents believe that training of employees is an important strategic step for further development of company.
Budgets for training in 52% of cases remained the same, while 17.1% of respondents noted even a slight increase in budgets. This suggests that even difficult economic situation does not prevent companies from continuing policy of staff development and training.
However, in difficult times for business, many companies are thinking about optimization of training process. Now, at the first place is turning to own resources, i.e. building knowledge databases (36.8%), development of mentorship systems (49.6%) and in-house training using company specialists who has undergone training in business schools (66.4%).
Regarding the forms of training respondents believe that most effective are full time (47.5%) and corporate (51.1%) training formats. Classics remains a classic. Within such training educational materials are learned deeply, and constant contact with teacher allows to discuss and receive answers to most important questions. Remote and online training still remains less popular, 31.2% and 33.3% opt therefor, respectively.

In 2017, companies plan to specially focus (more than 60% of the respondents) to training middle level managers. This is not surprising, because middle level management should have in equal

level professional and managerial competences, be able to competently manage subordinates and, at the same time, meet KPIs and objectives set by the management of the company.

Moreover, 37.7% of respondents have already decided that they will apply for training to business schools, and 34.8% are still in process of making a decision. The main factor in choosing training provider (more than 80% of respondents) is content of program, and cost is only at the second place (45.4% of respondents).

These data indicate that main segment of competence development at labor market in 2017 - is middle level management, i.s. heads of structural units. These particular categories of employees, according to employers, can ensure sustainability of company at the market, and thus said - in respect of such employees it is necessary to take measures aimed at improvement of competitiveness.

5. CONCLUSION

Therefore, to summarize it can be concluded, that improvement of personnel professional competences is the basis for managing competitiveness of entities' employees. Main method for formation and development of professional skills is systematic personnel policy focused on development of corporate training practices targeting such competitive advantages of employees that can be formed by development of competences in current and forecast periods. And those companies, that consistently implement and actively use advantages of corporate training, are capable to promptly influence competency profile and level of their employees, manage their competitiveness and ensure stable positions at the market for the company in general.

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