

## TRADITIONAL PROBLEMS OF THEORY AND PRACTICE OF PERSONNEL MANAGEMENT IN TRANSITION ECONOMIES

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### ABSTRACT

The successful development of the company is associated with a significant increase in the productivity of production resources and an increase in labor productivity. Managers must be armed with different methods for assessing the effectiveness of various resources and, first of all, the personnel of firms. The above determines the relevance of the topic. Working effectively means achieving great results with less labor, time and money. And in order to judge how effective the personnel management system is, it is necessary to develop an assessment methodology that allows you to determine the actual situation in the enterprise in the field of personnel management, identify weaknesses and give recommendations for improving it.

The purpose of the current article is to point the traditional problems of personnel management for the statistical assessment of the effectiveness of personnel management in firms operating in a transition period.

**KEYWORDS:** personnel management, efficiency, labour productivity, firm performance

### ABSTRAKT

Die erfolgreiche Entwicklung des Unternehmens ist mit einer deutlichen Steigerung der Produktivität der Produktionsmittel und der Arbeitsproduktivität verbunden. Die Manager müssen über verschiedene Methoden verfügen, um die Effizienz der verschiedenen Ressourcen und vor allem des Personals der Unternehmen zu bewerten. Daraus ergibt sich die Relevanz des Themas. Effektiv arbeiten bedeutet, mit weniger Arbeit, Zeit und Geld gute Ergebnisse zu erzielen. Um beurteilen zu können, wie effektiv das Personalmanagementsystem ist, muss eine Bewertungsmethodik entwickelt werden, die es ermöglicht, die tatsächliche Situation im Unternehmen im Bereich des Personalmanagements zu ermitteln, Schwachstellen zu identifizieren und Empfehlungen zur Verbesserung zu geben.

Ziel des vorliegenden Artikels ist es, die traditionellen Probleme des Personalmanagements für die statistische Bewertung der Effizienz des Personalmanagements in Unternehmen, die sich in einer Übergangsphase befinden, aufzuzeigen.

**STICHWORTE:** Personalmanagement, Effizienz, Arbeitsproduktivität, Unternehmensleistung

### RÉSUMÉ

Le développement réussi de l'entreprise est associé à une augmentation significative de la productivité des moyens de production et à une augmentation de la productivité du travail. Les gestionnaires doivent être armés de différentes méthodes pour évaluer l'efficacité des diverses ressources et, en premier lieu, du personnel des entreprises. Ce qui précède détermine la pertinence du

sujet. Travailler efficacement signifie obtenir de bons résultats avec moins de travail, de temps et d'argent. Et pour juger de l'efficacité du système de gestion du personnel, il est nécessaire de développer une méthodologie d'évaluation qui permette de déterminer la situation réelle de l'entreprise dans le domaine de la gestion du personnel, d'identifier les faiblesses et de donner des recommandations pour l'améliorer.

L'objectif du présent article est de pointer les problèmes traditionnels de la gestion du personnel pour l'évaluation statistique de l'efficacité de la gestion du personnel dans les entreprises opérant dans une période de transition.

**MOTS CLÉS:** gestion du personnel, efficacité, productivité du travail, performance des entreprises

## INTRODUCTION

The planned economic system operating for many decades limited the possibilities of enterprises, and also imposed certain requirements on their personnel. The economic reform, which provides for a change in the forms of ownership, the right of firms to economic independence and the disposal of labor results, creates objective economic conditions for the application of management in the activities of firms.

It goes without saying that the market economy often imposes higher requirements on the qualifications of specialists than the planned one. Thus, managers must develop and recommend an effective strategy focused on market criteria, ensure continuous product innovation, and create a favorable organizational culture.

Managers must constantly monitor the changes taking place in the external environment, as well as evaluate the changes taking place in the firm's activities.

The successful development of the company is associated with a significant increase in the productivity of production resources and an increase in labor productivity. Managers must be armed with different methods for assessing the effectiveness of various resources and, first of all, the personnel of firms. The above determines the relevance of the topic.

The purpose of the current article is to point the traditional problems of personnel management for the statistical assessment of the effectiveness of personnel management in firms operating in a transition period.

## RESULTS AND DISCUSSION

Personnel management is a vital strategic function formed, under the influence of many factors, into an independent structure.

F. Taylor's "scientific organization of labor" strongly influenced the management of the organization in general and human resources, in particular...

Trade union intervention has led to the creation of national social insurance systems, minimum wages, and the limitation and reduction of working hours. Compliance with these requirements fell on the personnel management services.

D. McGregor's work has had a significant impact on management practice. In them, he criticized the main provisions of the theory of "scientific management" (McGregor, 1986) A great contribution was made by the school of "human relations", the formation of which is associated with E. Mayo's theories of motivation. The principles of people management developed by her proclaimed the consideration of people's expectations and interpersonal relations.

Due to the economic crisis in the 80s, the issues of human resource planning became of paramount importance, their solution also fell on the personnel management services.

Enterprises have nothing to boast about in mastering and developing modern methods of personnel management. We are at a transitional stage of economic development from a directive-planned to a market one.

The chosen path of transition to the market did not justify the hopes placed on it. The main results of several years of carrying out a radical economic reform are more than well known: the decline in production, the impoverishment of the people; unemployment, strikes, unfavorable demographic shifts, especially in the central regions of Russia, etc. The rupture of the usual economic ties further enhances the manifestation of all the above and other negative processes.

The evolution of the management system that took shape at the first stages of economic reform takes place in the specific conditions of the transition period. Its important features are:

- instability of relations between enterprises and insufficient coordination of their activities;
- freedom of economic activity due to the existing legal system;
- instability of regulatory and economic policies.

Add to this the lack of information in virtually all areas of economic life. As a result, an atmosphere of uncertainty has arisen, when the activities of enterprises are aimed mainly at everyday survival. Therefore, in these conditions, effective management of the enterprise and human resources, in particular, becomes especially important. In order not to repeat the mistakes of the past, it is very important to make a significant adjustment to the economic strategy and implement a number of organizational and structural decisions.

After some numbness, which was determined by centralized leadership and totalitarian ideology, organizations began to face fundamentally new tasks. The main ones are: stimulating the work of hired personnel, preventing the "brain drain" (Dadaev, 1997), indexation of wages in the context of inflation, ensuring that the level of qualifications of personnel meets the strict requirements of the modern economy and, finally, strengthening the sense of belonging to the company among personnel, etc.

But even now there are contradictions between the proclaimed goals and functions of personnel management departments, so the list of responsibilities includes actions for accounting, monitoring, motivating personnel, regulating relations between the management and personnel, but in reality, the functions of personnel management services, judging by the facts, are rolled up. The heads of these services assess their role in the management of social personnel processes as secondary, considering that everything depends on the management of the enterprise. (Aleksandrov, 1997)

It is known that the successful development of production in modern conditions depends to a large extent on the competitiveness of personnel (Borisov and Behluli, 2020). And it is achieved by constant training of personnel, improving their qualifications and strategic determination of their number and professional orientation at the moment and in this production. But the current state policy in the field of human resources in Russia turned out to be ineffective: the vocational school is significantly weakened, there is no system for the development of personnel at enterprises, and the previous links between vocational education and professional labor have been destroyed. The market of professions and the market of educational services in Russia are practically not connected.

The narrowness of the skills of the management corps, especially of its top echelon, negatively

affected the transition to market relations from the very beginning of the reforms. It turned out that "many managers were unable to organize the work of their subordinate institutions in general and to orient it towards studying and meeting consumer demand in particular. It was also a great difficulty for them to determine the directions of resource use, first of all, this applies to such important resources as personnel, fixed assets, financial resources " (Haykazyan A., Nisevich, 1997).

This gives grounds to assert that the key problem for the vast majority of enterprises is the problem of ineffective personnel management. Right now the time is coming when it is necessary to pay more attention to systematic training and, especially, retraining of qualified specialists. This will make it possible to react faster and more effectively to changes in the country, to strengthen the elements of stability, solidity, representativeness, sober calculation, and rejection of an excessively risky speculative game in market activities.

Nevertheless, there are still very few Russian commercial firms that prioritize personnel training and continuing education. In most cases, in this matter, enterprises continue to live one day, focusing all their attention on solving current problems. Without a doubt, the question of talent is strategic, for large successful firms as well as for small firms.

The educational services market turned out to be practically unbalanced with the real needs of the skilled labor market. The quality level of employees of enterprises is significantly inferior to the requirements of the international labor market.

The personnel management system at most enterprises does not correspond to the strategy of market reforms, which largely hinders the possibility of implementing programs for sustainable stabilization, revitalizing production and restructuring the economy, improving the quality and competitiveness of Russian products (Fatkhudinov, 1997).

The existing practice of work in the field of personnel management does not provide a high-quality renewal of personnel, specialists and managers. The frequency of professional development of almost all categories of personnel continues to grow and currently for managers and specialists is on average 7-8 years, while in Western Europe and Japan it is 3-5 years and 3-6 years. Training programs for employees at enterprises are focused mainly on obtaining primary qualifications in the form of simplified requirements.

It is necessary to train and significantly improve the qualifications of the governing body in management, marketing, innovation, personnel management and a number of other disciplines, taking into account the specifics of the current economic situation and the Russian market. The formation of the business services industry must become one of the primary problems of structural and investment policy. (Hayman, 1995)

The set of programs used in the process of training and retraining of managers must correspond to the changed and increased requirements for managers. Programs should guide managers to assess management effectiveness and, as a result, increase competitiveness by maximizing the use of human resources at work, as opposed to economic growth achieved through additional capital investment (Behluli, Qerimi, Borisov and Atanasov, 2019).

Despite the fact that many US firms have their own production organization services, they often prefer to invite consultants from firms in the business services industry for a while, rather than resolve the relevant issues on their own. For us, this practice is more than relevant. It would not be an

exaggeration to say that the organization of production in any production link - at an enterprise, in a shop, at a site, essentially remains a "blank spot".

Over the past two years, unemployment has become a major macroeconomic phenomenon in transition economies, turning into an independent factor in the development of the economy. Unemployment also inflicts considerable damage on the vital interests of people. Not allowing them to apply their skill in the kind of activity in which a person can express himself the most, or by depriving them of such an opportunity, because of which people endure serious psychological stress (Ismayilov, 1993)

"One of the root causes of the rise in unemployment is the growing differentiation of the population by income. The elite strata of the population, in favor of whom the national income is redistributed, cannot form a strong demand for consumer goods of domestic production, which contributes to its stagnation and, as a result, unemployment " (Andreev, 1997)

The situation in the age structure of personnel management services is alarming, where 20-25% of people who will enter or already have retirement age in the next five years. This indicates slow renewal and insufficient inflow of young workers to these units.

Based on the foregoing, it is obvious that the problem of unemployment is a key issue in the context of economic reforms, and without solving it, it is impossible to establish effective economic activity. The problem of unemployment is especially acute now in Russia, which is not surprising, since the state of the Russian economy is now depressing. A huge economic downturn, having ruined the industry, could not help but affect the labor market (Nikiforova, 1991)

Among the most acute problems, it should also be noted such as: the departure of qualified specialists, low performing and labor discipline of personnel, insufficient qualifications of personnel and individual managers, unsatisfactory moral and psychological climate, low level of employee motivation, and as a result, insufficient initiative of workers in solving production problems, confrontation between administration and staff (Behluli, Qerimi, Borisov and Hajdari, 2020)

The structure of personnel management services, the qualitative composition and level of remuneration of their employees do not correspond to the tasks of increasing the efficiency of personnel management. There is an obvious shortage of professionals, and employed workers do not have high prestige and appropriate incentives for work (Utkin, 1996)

It should also be noted the erosion of traditional values, which leads to serious disorders of personal beliefs and values. Stress, pressure and uncertainty are increasingly present in most forms of life in organizations. This significantly complicated the system of motivation and incentives for employees, primarily in connection with hiring on short-term contracts, the setting of various preconditions (including a probationary period), strict linking of material incentives with the profit received and other factors.

There is no uniform system of work with personnel at the enterprises, first of all, the system of scientifically grounded study of abilities and inclinations, professional and job promotion of workers. Personnel management functions are dispersed among various services, departments and divisions of the enterprise, one way or another involved in resolving personnel issues. Lack of the necessary coordination does not allow effective personnel management.

Because of this, as a rule, personnel management departments are not yet able to assume the role of services that would provide, for example, the whole range of measures that guarantee the quality of selection and placement of personnel at all levels. Their practical impact on the efficiency of the enterprise

is minimal, and the prestige among other services is extremely low. "They are actually the services of accounting, control and registration of personnel documentation and only to a weak extent can claim the role of personnel management tools" (Emelyanov, 1993).

There is, therefore, a serious contradiction between the growing objective need for the provision of personnel management functions and the real state of the services responsible for this. The real state of personnel management services in our country today hardly gives grounds for optimism. And here it is not enough just to change the regulations on the personnel management department - a radical restructuring is needed, affecting the change in the functions, structure and composition of this service.

All these problems have to be addressed against the backdrop of political instability and widespread unemployment, which are putting increasing pressure on labor collectives.

Moving on to the issue of attitudes towards personnel innovation, we can say that the reasons that prompt us to be careful, cause fear, provoke rejection and resistance, all the time when faced with something new that changes the usual life stereotype (Ushanova, 1986)

When revising personnel management methods that do not correspond to the state of the external environment, management may face a conflict generated by the rejection of new methods by the organizational culture of the company due to the conservatism and inertia of some part of the team. Such a conflict can be quite painful and destructive in its consequences.

So K. Davis identified three groups of reasons for resistance to innovations (Davis, 1995). The basis of all economic reasons is the fear of loss in earnings, which forms the employee's anti-innovation attitude.

Regarding the reasons of a personal nature that induce people to resist the innovation process, we can say that the main one is the personality's resistance to devaluation, which very often brings with it the innovation process.

In the group of anti-innovation barriers, which are of a socio-psychological nature, most of the reasons are based on a person's reaction to the innovative processes accompanying in many organizations, a kind of encroachment on his psychological comfort (Vaisman, 1977).

These and some other problems raise the question of improving the personnel management system for managers. However, we often have to deal with the fact that, trying to put the work with personnel in the company at the proper level, managers make a number of mistakes that do not allow achieving the goals for which, in fact, work with personnel was started.

To eliminate such deficiencies, personnel development planning is necessary. First of all, this is planning the natural movement of personnel - retirement, dismissal due to illness, in connection with studies, military service, etc. This is not difficult to do, but it is important to timely prepare an equivalent replacement. Another is more difficult - to strengthen the potential of the team, to increase its competitiveness.

There are several ways for this, including: careful selection of personnel, systematic improvement of their qualifications, creation of conditions for the most effective manifestation of their abilities and development of methods for assessing the actual effectiveness of the team's work.

Many commercial structures in Russia are now taking a different path. Instead of intensifying the work on the adaptation of collectives to the conditions of economic reforms, taking care of ensuring a painless psychological restructuring of each person, especially experienced specialists, workers are

sometimes mercilessly dismissed as having not adapted to the new requirements. This approach is a manifestation of a short-sighted policy. After all, any replacement of an employee is an economically expensive undertaking. This damages the reputation of the firm.

The problem of "obsolescence" occupies a special place in the process of professionalization of management. "Obsolescence" occurs when an individual uses points of view, theories, concepts and methods that are less effective in solving a problem than others currently in existence (Travin, 1997). Of course, not every example of ineffectiveness in personnel management of a firm is associated with "obsolescence." Laziness, lack of understanding, and overloading with other responsibilities can also lead to inefficiency. But the costs of developing and making second-rate solutions to emerging problems for a firm are likely much greater than the costs required to overcome the obsolescence of their staff.

Psychological research shows that in conditions of group isolation, having a "good immediate boss" is the most necessary factor for effective team leadership (Krichevsky, 1997).

Disorders in relations with the immediate boss often lead to psychological breakdowns, which causes neuroses in employees (Kempinski, 1975)

Management practice also shows that in any company, as a result of a combination of different reasons, the presence of conflicts is inevitable. Conflicts arise, often, due to staff dissatisfaction with the assessment of their work by the manager. In the case of very serious conflicts, there may even be a shift in organizational goals.

It is indicative that in the activities of the leader himself, as the main subject of management, there are various contradictions associated with undesirable tendencies in people's behavior. The difficulty in assessing these phenomena lies in their heterogeneity.

In an effort to improve the efficiency of personnel management, it is useful to refer to the experience of other countries, to study and generalize the achievements of foreign scientific thought and economic practice. It is vitally important for Russia to generalize the experience of Western firms in the field of personnel management, to provide domestic managers with conditions for obtaining high-level management knowledge. But the failure of attempts to mechanically copy foreign experience is noted by foreign researchers themselves, in other words, they do not quite fit Russian conditions.

It is necessary to analyze the materials published in the press on the problems of personnel management. In these materials, on the one hand, social goals and objectives are reflected, and on the other, various kinds of shortcomings and suggestions for improving the effectiveness of personnel management are highlighted.

As B. Aikes and R. Rieterman note, "the main problem of reforming the economy in Russia is that the authors of the reform program did not foresee and did not take into account the formation of a new type of enterprises, which is characteristic only of the transition period. Such enterprises are neither socialist nor market-oriented. They are rather focused on survival and try to ensure the continuation of their activities in an extremely unstable institutional environment." (Ikes, 1994)

It should be noted that recently in our country a certain amount of work has been carried out to train high-class management personnel, various business schools are being organized, and a lot of specialized literature by domestic and foreign authors is published, albeit of different quality.

However, in the literature on management topics, as a rule, publications of an educational and educational-methodological nature prevail, considering mainly the history and foundations of



management, special management issues (financial management, personnel management, situational and systemic approaches to management, sociology of organizations, marketing). In this sea of publications on management problems, there is clearly a lack of literature for specialist managers, top management.

Speaking about economic reforms, one should bear in mind not only the general trend of the development of the situation, but also those specific conditions and peculiarities that are inherent in the current conditions of activity of Russian enterprises at this particular stage. Ignoring specific historical conditions can lead to the adoption of strategic management decisions, which may not only turn out to be ineffective, but also have negative consequences, as the leading Russian economists have repeatedly warned about.

Thus, the well-known economist, corresponding member of the Russian Academy of Sciences L.M. Gatovsky, analyzing the course of economic reforms, notes "... a number of negative aspects: the mechanical copying of the practice of foreign developed countries and the transfer of methods completely unsuitable for our specific conditions, the use of not the best, and often the worst, foreign business practices, often in a distorted form, ignoring or extremely insufficient use the positive experience of developed countries, the imposition of vicious economic methods of "home-made". The continuing negative influence of the legacy of the past, as well as direct and covert resistance to the reform on the part of its opponents, including among officials of the state apparatus in the center and at the local level, was manifested to a considerable extent. " (Gatovsky, 1994)

Problems of increasing labor efficiency have their own characteristics for different groups of managers (managers, specialists, technical employees). But at the same time, they have a lot in common, since, ultimately, most of these problems, one way or another, are connected, on the one hand, with the specifics of a particular type of enterprise with its inherent production processes and, on the other hand, with the real economic situation that forms the "external environment" of the enterprise (Qerimi, Behluli, Borisov and Hajdari, 2020).

There are also problems of the lower level of personnel management, which have their own aspects and characteristics. "An important point in their assessment is that in terms of their mentality and roles, lower managers belong to managers, and vice versa, the position contributes to the fact that their psychology is closer to the workers. This duality of position in the firm often leads such leaders to a stressful state. " (Rozanova, 1997)

Much has been said lately that the roots of the problems of most Russian enterprises lie in ineffective management. What is effective management, each of the enterprises that have managed to adapt to new conditions understands in its own way. Everyone finds their own levers of management, implements their own principles of management. But until now the valuable experience developed by each of the enterprises remained only his experience.

At the same time, there is a positive experience that should be studied, refined and recommended for implementation. The results of the activities of many enterprises and the accumulated experience of their work with personnel show that the formation of production teams, the provision of high quality personnel potential are decisive factors in production efficiency and product competitiveness.

Problems in the field of personnel management and daily work with personnel, according to experts, in the near future will constantly be in the focus of management. In the future, with the



development of scientific and technological progress, the content and working conditions will become more important than material interest.

To solve these and other problems of personnel management, it is necessary to constantly improve the statistical methodology, to analyze more deeply the processes and phenomena occurring in the field of personnel management. There is no small amount of work to be done to improve the organization of labor at all levels of production and management. It is more important to improve the efficiency of personnel management in the context of economic reforms, this determines the tasks of statistics.

The most important task of firm statistics is to study the number, composition, distribution, movement and dynamics of personnel, to identify reserves for increasing the efficiency of its use, which are necessary to ensure income growth with the same or less number of employees.

The task of statistics is to expand and deepen the analysis of labor productivity, to improve the methodology for measuring it. The statistics of firms should help to uncover the reserves for the growth of labor productivity, determine the ways of a more complete and efficient use of personnel and working time, eliminate downtime and non-production costs, improve labor and production discipline, reduce staff turnover, and enhance the role of material and moral incentives to work.

Statistics investigates the stimulating role of wages, the dependence of the income of each employee on his personal labor contribution and the contribution of the team to the development of the company. Statistics are faced with the task of studying the composition and dynamics of wages and material incentives, and their use, the ratio of growth rates of labor productivity and wages. She justifies the wages of workers and employees by profession and position, examines the results of increasing wages and salaries.

In general terms, the tasks of statistics in personnel management can be represented as the following table:

**Table 1.** The tasks of statistics in personnel management. Source: Own.

Complexes of tasks	Local tasks
Staff composition and dynamics statistics	<ul style="list-style-type: none"> <li>- study of the composition of employees;</li> <li>- determination of the number of employees by category;</li> <li>- study of the movement of personnel;</li> <li>- study of staff turnover and development of measures to reduce it.</li> </ul>
Working time statistics	<ul style="list-style-type: none"> <li>- accounting of actually worked time;</li> <li>- analysis of the use of office hours and overtime;</li> <li>- accounting for downtime and absenteeism;</li> <li>- compilation and analysis of the balance of working hours.</li> </ul>
Labor productivity statistics	<ul style="list-style-type: none"> <li>- measuring the level and dynamics of labor productivity;</li> <li>- determination of the degree of fulfillment of production standards;</li> <li>- identification of reserves for the growth of labor productivity.</li> </ul>
Payroll statistics	<ul style="list-style-type: none"> <li>- study of the structure of the payroll;</li> <li>- study of the level and dynamics of wages;</li> <li>- study of the material incentive fund.</li> </ul>

Labor conditions and safety statistics	<ul style="list-style-type: none"> <li>- the study of production and technical factors;</li> <li>- study of sanitary and hygienic factors;</li> <li>- study of general working conditions.</li> </ul>
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An important task of statistics is to develop and improve the methodology for calculating indicators of the use of working time. At the present stage of economic development, the compilation of the balance of working time is of great importance. Its correct construction and in-depth analysis make it possible to identify losses in the form of absenteeism, in-shift and whole shift downtime, to outline ways for the further use of working time, and to identify reserves for increasing the efficiency of personnel management.

Responsible tasks for statistics are in the field of improving labor rationing, accelerating the implementation of technically sound production rates and service standards, especially in auxiliary and time-paid jobs. Improving the efficiency of personnel management largely depends on the successful solution of this task.

Statistics are designed to investigate new phenomena in the development of society and show their impact on the effectiveness of personnel management. The statistics are faced with the problems of studying the relationship of the firm's personnel, great importance is attached to working conditions and labor protection, on which the increase in the efficiency of personnel management largely depends.

"Monitoring the implementation of decisions in the field of personnel management is the most important task of statistics. The presented statistical material should help to uncover unused reserves and prevent the possibility of imbalances. " (Nazarov, 1981). For this purpose, it is required to constantly improve the system of indicators characterizing the development of the company. Statistics is an integral part of the personnel management system, its information is deeply scientific in nature and is the basis for making important management decisions.

A comprehensive study of the phenomena and processes occurring in the field of personnel management requires further improvement of the statistical methodology of the system of indicators for studying the effectiveness of personnel management, labor organization, its regulation and payment, for measuring labor productivity.

Considering the issue of assessing the effectiveness of personnel management, it should be noted that in recent years, work on this topic has been carried out both by scientific organizations and by individual scientists. In particular, research in this area is carried out in a number of research institutes and universities: Research Institute of Labor, VNIPI Labor in Construction, the Russian Economic Academy named after V.I. G.V. Plekhanov, State Academy of Management. S. Ordzhonikidze, Moscow, St. Petersburg, Nizhny Novgorod universities, St. Petersburg Financial and Economic Institute and other organizations.

Working effectively means achieving great results with less labor, time and money. And in order to judge how effective the personnel management system is, it is necessary to develop an assessment methodology that allows you to determine the actual situation in the enterprise in the field of personnel management, identify weaknesses and give recommendations for improving it.

One cannot but agree with J.M. Ivantsevich and A.A. Lobanov who determined that "assessing the effectiveness of personnel management is a systematic, clearly formalized process aimed at measuring the costs and benefits associated with programs of personnel management activities and for correlating

their results with the results of the base period, with competitors and with the goals of the enterprise" (Ivantsevich, 1993)

Evaluation of the effectiveness of personnel management is based primarily on information about employees: promotion, their professional, qualification, gender and age characteristics, medical and psychological parameters, productivity and innovative activity.

### CONCLUSION

Evaluation should be carried out throughout all phases of management activities. It is closely related to other stages of the management process and, by its results, is capable of prompting the manager to make the necessary adjustments to it. At the same time, the assessment ensures the functioning of the firm with uninterrupted feedback.

It should also be noted that when assessing the effectiveness of personnel management, one should take into account the costs of achieving these goals, the real effectiveness of the personnel management system can be determined only by comparing the degree of implementation of goals with the funds spent on it. It is necessary to evaluate the effectiveness of personnel management on the basis of the performance of the whole firm.

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