The Personnel Development Management Mechanism in the System of Human Resources Potential Forming: Lessons for the Modern Enterprises According to Foreign Experience

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Abstract. *The elements of the mechanism of personnel development management in the system of personnel potential formation at modern enterprises are structured and grouped. It is determined that an important role in the human resource formation at the business entity is played by the personnel development strategy, which should combine such components as: establishing strategic guidelines for personnel characteristics, choosing directions for personnel development (training, advanced training, mentoring, coaching); forming the individual career trajectories of employees; developing the internal personnel training tools and choosing of external training tools; drawing up a budget for personnel development costs; fixing the measures for retaining talents, motivating them to be loyal to the enterprise goals. It is specified that the mechanism for managing the enterprise's personnel development should combine such elements as: goal, objectives, subjects, objects, tasks, functions, principles, and methods of professional development of employees. It has been established that the employee development mechanism functioning is influenced by the state of resource provision and the level of professionalism of the HR-management of the business entity. Analysis of personnel indicators of Ukrainian enterprises allowed us to conclude about high staff turnover, inability to form a high-quality employer brand, inability to maintain staff loyalty. It is proposed to borrow the foreign experience in forming human resources potential through mechanisms of recruitment, staff development and creation of such working conditions for them that will maintain a stable desire of the employee to remain part of the team and work to achieve the company's goals, conscientiously fulfilling their job duties. Approaches used in foreign practice of personnel development management are identified and the possibilities of their introduction into the activities of Ukrainian enterprises are established. It is substantiated that personnel development management should be one of the areas of strategic management of a modern enterprise.*

Keywords: *personnel development, human resources potential, personnel development management, human resources management, HR-management, personnel security, training, motivation.*

JEL Classification: *J24, M12, O15*

1 Introduction

In the conditions of Ukraine's constant loss of intellectual capital due to military operations on the territory of the state, the formation of human capital becomes a strategic task for any business entity that seeks to remain on the market. Realizing this the management of Ukrainian companies strives to use the most effective HR-management tools, since the financial, time, material, and human resources are a limiting factor for the deployment of any management initiatives. Personnel development in the system of forming the human resource potential of an enterprise is a long-term process. The economic effect of forming the human resource potential will not be noticeable immediately. Therefore, company owners often neglect the need to develop human resources, choosing to invest capital in innovations and material assets instead. However, the experience of international corporations shows that in the long term, intellectual capital provides the enterprise with competitive advantages, while material resources over time undergo moral and physical obsolescence and require additional investments in their renewal and modernization.

Feeling the need to immediately restore their own resource potential in conditions of uncertainty, risks and ever-growing competition with European manufacturers, Ukrainian enterprises do not have

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the time and opportunity to test various personnel development strategies in practice. That is why they need to be guided by foreign experience in the area of personnel potential formation, integrating the personnel development mechanism into their own HRM strategies. In view of this, the research initiated in this article is relevant and timely.

The author's ideas about the working out a staff development management mechanism in the system of personnel potential formation at modern enterprises were preceded by a thorough study of professional literature devoted to the problems of human resources management and their development in a qualitative dimension. The ways to form an effective personnel management system of an organization in the conditions of the modern stage of management development in Ukraine are discussed in modern publications (Byvsheva L.O., Kondratenko O.O., Mokhovikov A.H., Shaparenko O.A., 2023); also the investigation of the ways of personnel development at the modern enterprises are in a core of scientific discussions (Verbovska L.S., Stankovska I.M., Bodnar H.F., Mykytiuk M.O., 2022; Dziamulych M., 2023; Zachosova N.V., Volynets L.M., Khalatska I.I., Bychkova N.D., Yakovenko M.S., 2022; Lipych L., Hrynkevych O., Polinkevych O., 2022). Some modern authors try to specify the problems of preserving and developing personnel potential in the enterprise's HR management system in wartime (Nazarenko S.A., Zachosova N.V., Lutsenko O.V., 2024), others investigate online platforms as a tool for personnel development (Pichuhina M.A., Bukhanevych I.O., 2020). Nowadays many companies deal with the problems of managing the motivation of personnel for professional development (Rekunenko I.I., Kobushko Ya.V., Rybalchenko S.M., Ryzhkov V.A., Ismailova A., 2021). So, it is worth to generalize and supplement scientific and practical approaches to the formation of a system of enterprise personnel professional development (Furman D.H., 2023), and on practical level personnel development should be considered as a component of management strategy in the information society (Chyzh V.I., Havrylenko Ya.V., 2021).

Analysis of personnel indicators of Ukrainian enterprises allows us to see high staff turnover, inability to form a high-quality employer brand, problems in maintaining staff loyalty, etc. While domestic business entities are unable to fill their personnel needs and “satisfy the personnel hunger”, the best specialists and talents willingly go to work for foreign companies. This suggests that the management of modern Ukrainian enterprises, institutions and organizations should borrow foreign experience in the field of forming the human resources potential through the mechanisms of recruitment, personnel development and the creation of such working conditions for them that will maintain a stable desire of the employee to remain part of the team and work to achieve the company's goals, conscientiously fulfilling their job duties.

The purpose of the publication is to publish generalized and supplemented conceptual principles for developing a mechanism for managing personnel development in the system of forming human resources potential at modern enterprises, which takes into account the trends observed in foreign experience in human resources management.

2 The place of the personnel development mechanism in the system of forming the human resource potential of the enterprise

Significant methodological problems that hinder the formation of effective systems of the forming of human resources in the practice of Ukrainian enterprises are the fragmentation of personnel development mechanisms, their immaturity, the lack of resources to ensure their constant updating and integration on an ongoing basis into the management architecture of business entities. It is worth to emphasize that the basis of the concept of enterprise personnel management is the development of principles, directions and methods of management, consideration of work with personnel at all levels of strategic planning of the enterprise, the introduction of new methods and systems for training and advanced training of personnel, the definition and implementation of a coordinated unified tariff policy and remuneration, the development and application of economic incentives and social guarantees for social partnership at the enterprise (Byvsheva L.O., Kondratenko O.O., Mokhovikov A.H., Shaparenko O.A., 2023). Thus, the personnel development mechanism should be one of the elements of the enterprise strategy that focuses on the intersection of the external and internal environments of its existence: from the external environment the enterprise receives human resources, which become its human capital and at the same time – to be an object in the personnel development mechanism. The internal environment is a set of conditions, opportunities and limitations in which the named mechanism functions, evolves, acquires new characteristics, or gradually declines in the absence of due attention from representatives of the HR-management of the business entity.

The point that becomes the centre and the core of the construction and functioning of the enterprise personnel development mechanism is the assessment of its existing personnel. It gives managers an understanding of what qualitative characteristics

employees lack, what additional knowledge they need to obtain and what relevant competencies should be to formed or developed to a new functional level. In order to effectively assess personnel, companies need to carefully approach the issue of choosing methods and tools for personnel development. After all, preparing a competitive, competent, socially, mentally and environmentally active and highly qualified employee, in particular a responsible, loyal and capable of working in modern conditions of uncertainty with tasks of varying complexity, is quite difficult (Verbovska L.S., Stankovska I.M., Bodnar H.F., Mykytiuk M.O., 2022). Therefore, the personnel development mechanism should include more than one subject – the main stakeholders of the company, management personnel from various areas of its activity, line managers and top-management, representatives of trade unions, educational institutions, organizations engaged in training and retraining of employees, mentors, coaches and other specialists who can contribute to the formation of a set of professional and social skills among the personnel of a business entity.

3 Elements of the personnel development management mechanism in the system of human resource development

The effective organization of the personnel development system at the enterprise requires from its management to set goals effectively regarding the implementation, evaluation and integration of personnel development programs into the general personnel management system. Only on the basis of the application of such a sequence can the enterprise obtain both a conceptual and an empirical picture of the strengths and weaknesses in the field of personnel development, on the basis of which specific programs for training, retraining and advanced training of employees will be developed (Dziamulych M., 2023).

Fig. 1 summarizes the elements of the personnel development management mechanism in the system of personnel potential formation.

Let us consider how foreign experience that can be used to optimize the functioning of the presented mechanism. Thus, in a number of European countries, management personnel assessment centres have become widespread, whose activity

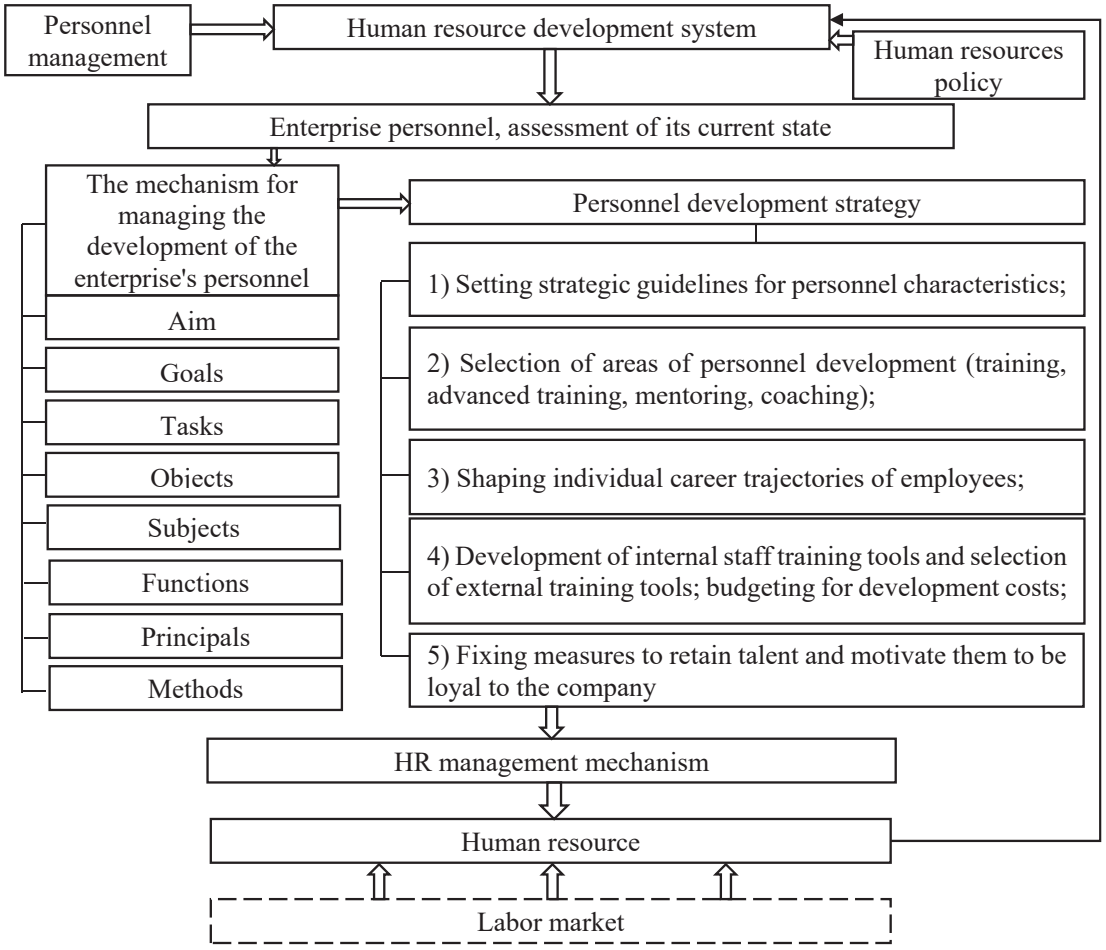


Figure 1 Elements of the personnel development management mechanism in the system of human resource development at modern enterprises

Source: compiled by the author

consists in identifying, on the basis of a special set of tests and exercises, the potential abilities of management employees. However such centres are not free from shortcomings and do not guarantee the absence of errors (Byvsheva L.O., Kondratenko O.O., Mokhovikov A.H., Shaparenko O.A., 2023). So, by analogy, it is possible to propose using external organizations to assess the personnel of enterprises, giving them the task of competency maps developing, individual development plans for employees – managers and subordinates forming, while the HR-management of the business entity will remain focused on current tasks related to personnel management and maintaining the level of personnel security.

Foreign experience in personnel development management at the level of large international corporations provides for the possibility of their creation of corporate universities, the activities of which are aimed at forming in the personnel of the founding companies that specific set of knowledge, skills and competencies that they need to achieve the strategic goals of their creation and existence. In Ukrainian practice, this approach can be implemented through mechanisms of cooperation between educational institutions and enterprises, by launching educational and professional programs, the goals and subject area of which will be outlined in accordance with the wishes, interests and needs of the business entity.

To develop social (soft) skills, HR-management of foreign companies uses business coaching – a tool that allows personnel to learn from specialists (internal or outsourced) techniques for developing leadership qualities, acquiring communication skills, effective time management, etc.

Popular elements of the personnel development mechanism for foreign companies are rotation and transfer of employees by position. With the help of such practices, employees receive new professional tasks that they learn to perform, while acquiring new knowledge and professional skills, without leaving the enterprise and being available to management and their immediate supervisor in the event of an emergency.

Also such tools of personnel development that have become widespread in foreign practice, as internships, motivational programs, corporate culture of employee growth in the team, team building, shadowing, etc., have proven their effectiveness and feasibility.

4 Conclusion

The study of the foundations of the personnel development management mechanism in the system of human resources potential forming has made it possible to make the following generalizations.

1. The elements of the personnel development management mechanism in the system of personnel potential formation at modern enterprises should be structured and grouped. In particular, it is determined that an important role in the formation of the human resource of a business entity is played by a personnel development strategy, which should combine such components as: establishing strategic guidelines for personnel characteristics, choosing directions for personnel development (training, advanced training, mentoring, coaching); forming the employees individual career trajectories; developing internal personnel training tools and choosing external training tools; drawing up a budget for personnel development costs; fixing measures to retain talents, motivating them to be loyal to the enterprise.

2. A list of personnel development tools has been formed. These tools have proven their effectiveness at foreign companies and are recommended to be integrated into the personnel development management mechanism in the system of personnel potential formation at Ukrainian enterprises. They are: launching corporate educational institutions or joint educational programs with regional higher education institutions; mentoring and coaching using external specialists; rotation and training through participation in project teams; development and following of individual employee development plans; periodic assessment of the level of acquired competencies by external experts; gamification; internal and external professional mobility programs, internships; team-building and social skills development activities, communication and feedback system to receive feedback from employees who participated in personnel training and development programs and so on.

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