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#### RESEARCH OF FACTORS IMPEDING PROFESSIONAL DEVELOPMENT OF THE PERSONNEL OF DOMESTIC ENTERPRISES

**Formulation of the problem.** The acceleration of scientific and technological progress, increased competition in the market environment led to increased requirements of modern production to the quality of the workforce. Currently, the process of solving most problems facing the enterprise requires from its employees a continuous updating of knowledge, ability to gain knowledge and to use them in practice.

The necessity of updating theoretical knowledge and practical skills of employees is due, in the first place, their rapid «aging»: annually depreciated 20-30% knowledge. The rate of obsolescence of professions in industrialized countries is about 8 years, and in some countries - 5 years (including in metallurgy – 3,9 years, mechanical engineering – 5,2 years, chemical industry – 4,8 years) [1].

It is believed that each qualified employee for the entire period of his employment (40-45 years) on average 4-5 times needs to update their knowledge (to pass retraining, to improve their skills). In industry, especially in engineering, upgrade qualification for development of new technology now accounts for an average of 6-8 times, changing 3-4 times specialization [2].

Thus, the increasing role of knowledge, skills and abilities of employees, the need for their constant renewal determine the priority and relevance professional staff development of the enterprises in modern conditions of managing.

Analysis of recent publications. Many scientists are conducting research to problems of professional development of staff. Among them are: V. Savchenko [3], F. Khmil [4], N. Samolyuk [5], V. Radkevich [6], S. Timchenko [7], A. Tkachenko [8].

Despite numerous studies, most of the problems of professional development of the personnel of domestic enterprises remain unsolved.

According to the latest research of the State statistics service [9], the average for Ukraine professional training covered only 11,2% of full-time employees.

The total number of workers professional training and retraining receive about 1.8% of full-time employees. In most cases, it is the workers of industrial enterprises (68.1% of all the trained for new jobs) and transport, warehousing, postal and courier activities. The main form of training of workers was their professional retraining directly at the «on the job».

Improved skills on different forms of training (on the production-technical courses, courses with the purpose, through probation, specialization, long-term and short-term training) of approximately 9,4% of full-time employees.

In health care and social assistance, education, public administration and defence, compulsory social insurance the staff development occurs primarily in educational institutions of various types.

Often «on the job» increase the skills of workers employed in enterprises of industry, in the field of scientific research and development, financial and insurance activities, information and telecommunications.

The periodicity of improved skills in Ukraine is 8 to 10 years, whereas in most industries it is recommended to improve the skills at least once in five years. For comparison, the periodicity of improved skills in economically developed countries is a once in 3-5 years (in Japan, of 1-1,5 years). In the US learn (in nonworking time) from 26 to 43% of employees according to qualification level, in the European Union – not less than 20% of employees, and in Japan – 80% [2].

Thus, currently, the level of performance professional development the majority of employees of the enterprises of Ukraine does not meet the requirements of modern production and significantly behind the performance of enterprises in developed countries.

The purpose of the article. Research of factors impeding professional development of the personnel of domestic enterprises.

**Statement of the base material.** The results of the sample studies allowed to identify the main factors hindering professional development of staff in most enterprises of Ukraine [3]:

- 1. The lack of sufficient funds for the organization and implementation of professional training of the staff directly «on the job» or «off the job» (38,8% of all respondents indicated this as a reason).
- 2. The economic benefits of hiring highly skilled workers from the outside, not directing their own investment in training (for this essential reason stated 38,8% of respondents).
- 3. The risk of losing money to the professional training of the personnel, due to the «fluidity» of frames or the enticement of skilled workers by competitors (this opinion was expressed by 32,6% of the respondents).
- 4. Lack of employee interest in professional development (think so 20,2% of respondents).

5. There is no possibility to achieve the expected productivity from trained workers (think of 13,3% of the respondents).

Indeed, the crisis in the economy and, as consequence, reduction of production volumes limited financial resources of domestic enterprises for vocational training and personnel development. Most businesses nowadays can't even provide decent wages to their employees. In this situation, investment in training and staff development is seen as a costs and is carried out by a residual principle. This approach is limited and is associated with the lack of understanding of the importance and role of professionalism in promoting economic growth and development of the enterprise. Current research in the field of professional staff development based on human capital theory and the financing of vocational training and advanced training of employees is considered as investment in human capital:

- according to prof. F. Khmil [4] investing in human capital involves the so-called effect of resources is to increase in the performance measure «production/costs». The resulting productivity growth has longer competitive nature than that which is achieved by the actions aimed, for example, to reduce the number of employees;
- according to the american scientist E. Denison [10], investment in human capital provide a profit in 5-6 times more than investment in production;
- according to analysts USA [10], the growth of investment in training by 10% increases productivity by 8%, while increasing investment in manufacturing by 10% increases productivity by 4% (that is, the efficiency is two times lower).

In recent years, the majority of domestic enterprises observed negative trend in the financing of vocational training and development of employees – the share of expenditures on tuition, which was extremely low (approximately 1% of payroll), continuing to decrease [5, 6]. For comparison, the costs of professional development staff development of leading global companies ranges from 2 to 10 % of wage fund [2]: the costs of "IBM" on the professional development of staff constitutes more than 5% of wage fund; the costs of "Siemens" on the training of employees account for over 3% of wage fund; annual costs of Japanese companies on training amount to 10-12% of wage fund.

In conditions of limited financial resources, reduces the amount of training and advanced training of employees «off the job» (in educational institutions).

In tabl. 1 shows dynamics of the number of employees of enterprises that received professional training and improved skills in vocational-technical educational institutions of Ukraine [11].

The data in tabl. 1 show that from 2011 to 2016, there is a steady decrease in the number of workers, who were trained in vocational and technical educational institutions of Ukraine:

- the number of employees that have advanced training, decreased by 16,2%;
- number of employees trained has decreased by 38%.

Table 1
The number of trained skilled workers
(enterprises personnel), person

(enter prises personner), person								
Direction	Period							
of training	2011	2012	2013	2014	2015	2016		
Vocational								
training	32052	31239	29408	23382	21838	19878		
Advanced								
training	4130	4353	4203	3070	3440	3463		

Most Ukrainian companies prefer the training, retraining and advanced training of employees «on the job». This approach to professional development of staff has a number of advantages:

- the training is meaningful and fully adapted to the characteristics of the production and labour processes of the enterprise, aimed at performing specific tasks. Many employers say that the professional knowledge and skills after completion of any educational institution is insufficient to complete the practical work. Qualification requirements for the personnel of most enterprises often differ from the requirements of educational institutions to the graduates;
- does not require significant financial costs (e.g., mentoring);
- accelerates the period of professional adaptation of new employees and young professionals.

Training «on the job» is effective for the formation of knowledge, skills and abilities needed to perform current production tasks when the contents of training adapted to the needs of the specific company. However, it should be noted that the training «on the job» in many cases, ineffective for obtaining fundamentally new knowledge as it does not allow the worker to disengage from the current situation in the workplace, to identify and to realize fully its potential. Thus, the predominance of professional training «on the job» is a constraint to professional development as individuals and collective as a whole.

In the absence of the necessary funds to provide professional development of staff («off the job» and «on the job») companies use external recruitment of skilled workers. However, it should be noted that in recent years, the labour market is unable to meet the growing needs of employers.

Dynamics of free working places (vacancies) by type of economic activity and occupational groups from 2011 to 2016 are presented in tabl. 2, 3 [12].

Tabl. 2 show a drop in the demand for labor from 2011 to 2015. During this period the need of employers for workers has decreased by 56.3%. In 2016 there is a significant increase in the deficit of labour force:

Table 2

The need of employers in workers for substitution of free work places (vacancies) by type of economic activity, thousand person

or economic activity, thousand person								
Types of	Period							
economic								
activity	2011	2012	2013	2014	2015	2016		
Total	59,3	48,6	42,5	35,3	25,9	36		
Industry	16,6	13,8	10,8	9,0	6,5	10		
including								
pro-								
cessing								
industry	13,0	10,6	8,6	7,2	5,1	7,8		

the number of available jobs (vacancies) reported by employers, at the end of 2016 amounted to 36,0 thousand people, which is 39.0% more than at the end of 2015. The greatest shortage of personnel is observed in industrial enterprises: from the total number of available jobs every tenth was in industry, and every seventh – in the processing industry.

In 2016, increased demand for workers of all occupational groups. The biggest remains the demand of employers for «Skilled Workers With Tools» and «Working in The Maintenance, Operation and Monitoring of Technological Equipment, and Assemblers Equipment and Machines» (tabl. 3).

Table 3

The need of employers in workers for substitution of free work places (vacancies)

by occupational groups, thousand person

Sy occupational groups, mousular person							
Professional group	Period						
	2011	2012	2013	2014	2015	2016	
Total	59,3	48,6	42,5	35,3	25,9	36	
Managers	5,3	4,3	3,8	2,7	1,9	2,7	
Professionals	9,1	9,8	7,2	5,2	3,8	4,7	
Technicians and Associate Professionals	7,0	5,9	4,8	4,0	2,8	3,9	
Clerical Support Workers	1,7	1,3	1,3	1,4	1,2	1,6	
Services and Sales Workers	6,2	5,1	5,4	5,0	4,2	4,8	
Skilled Agricultural, Forestry and Fisheries Workers	0,6	0,6	0,4	0,4	0,3	0,4	
Skilled Workers With Tools	13,0	9,7	8,3	6,4	5,2	7,9	
Working in The Maintenance, Operation and Moni-							
toring of Technological Equipment, and Assemblers							
Equipment and Machines	7,9	6,7	5,5	5,2	3,8	5,8	
Elementary Occupations	8,5	6,8	5,8	5,0	2,7	4,2	

Thus, the worsening situation of labor shortage limits the capacity of enterprises to meet their needs for skilled workers by hiring from the outside.

Another factor that hinders the professional development of staff is a risk to lose the funds spent by the enterprise to vocational training, as a result of staff turnover. Its origin is perhaps in the situation of lack of contract on training and of contract on «working off» between management and employees. Drafting of the contract on «working off» is not the responsibility of the employer, but the fact his conclusion directly affect the taxation of the cost of education. Its presence reduces the risk of loss of funds, which the company aims at vocational training, in the event of termination of the employment relationship by the employee. In contract on «working off» must include the following information: the period «working off» (the exact dates of its beginning and end); the actions of the parties in the case of dismissal of an employee before the expiry of the period of «working off»; the actions of the parties if the worker is prematurely expelled from educational institution. According to the law of Ukraine «On employment of population» [13] the duration of «working off» is determined by agreement of the parties and may not be more than 3 years. If the employee is dismissed before the end

of the period of «working off», the employer has the right to recover from him the full cost of training or part of it depending on time worked.

Impediments such as lack of employee interest in professional development and the inability to achieve the expected productivity from trained workers need to be considered simultaneously. They arise when the goals of the enterprise management and individual employees regarding professional development are not the same. Managers interested in improving quantitative and qualitative indicators of labour activity of employees trained. In turn, workers are committed to enhancing financial reward and career growth. Currently, the Ukrainian enterprises, in most cases, vocational training is not associated with any material incentives or professional status. For example, workers can change the skills from the second or third skill category up to the fourth or sixth skill category, that is, increase your status by about 3 category. The average tenure of a worker in the qualifying category of 2-2,5 years. The higher the skill category, so this is longer (for the second and third category – less than two years, for the fourth and fifth -3 to 4 years). At this rate, in 10 years the worker reaches the peak of his professional career. The qualification «ceiling» is reached at the age of 3040 years, when the worker more sensitive to the prospects of further promotion. When using the existing ratios between the qualification level, wage increases by about 1.5 times over the entire period of employment of the employee [14]. This is clearly not enough to motivate the professional development and effective employment of personnel. Thus, to ensure professional staff development is necessary not only to take measures to organize continuous professional education, including professional training, advanced training and retraining, but also the development of a motivation system aimed at increasing the level of professional development of employees.

Conclusions. Problems of professional development of staff due primarily to the undervaluation of the importance of staff and level of professionalism in sustainable and economic development of domestic enterprises. The goals and results of the process of professional training, in most cases, are not consistent with the goals and objectives of the management of enterprise development. As a result, professional development has a low efficiency, which reduces its priority in the eyes of management. Ignoring the problem of professional development of staff in terms of the increasing shortage of skilled labor in the labor market will have the following consequences: will increase the probability of reducing the quality of performance of employees, their ability to professionally perform production tasks, which, of course, affect the economic performance and competitiveness.

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# Гітіс Т., Клименко С. Дослідження факторів, що стримують професійний розвиток персоналу вітчизняних підприємств

Обгрунтовано актуальність проблеми професійного розвитку персоналу підприємств. Наведено статистичні дані, що дозволяють оцінити рівень професійного розвитку персоналу в Україні та економічно розвинутих країнах. Досліджено основні тенденції та проблеми професійного розвитку працівників вітчизняних підприємств: відсутність необхідних коштів на організацію професійного навчання персоналу; економічні переваги прийняття на роботу висококваліфікованих працівників зі сторони; ризик втратити кошти, що спрямовані на професійне навчання персоналу в результаті плинності кадрів; недостатня зацікавленість працівників у професійному розвитку; неможливість досягти очікуваної ефективності праці від навчених працівників. Проблеми професійного розвитку персоналу обумовлені, в першу чергу, зниженням значущості персоналу та рівня його професіоналізму у забезпеченні сталого господарського та економічного розвитку вітчизняних підприємств.

Ключові слова: персонал, професійний розвиток, підвищення кваліфікації, професійна перепідготовка, навчання «без відриву від виробництва», договір про відпрацьовування, мотивація.

## Гитис Т., Клименко С. Исследование факторов, препятствующих профессиональному развитию персонала отечественных предприятий

Обоснована актуальность проблемы профессионального развития персонала предприятий. Приведены статистические данные, позволяющие оценить уровень профессионального развития персонала в Украине и экономически развитых странах. Исследованы основные тенденции и проблемы профессионального развития работников отечественных предприятий: отсутствие необходимых средств на организацию профессионального обучения персонала; экономические преимущества принятия на работу высококвалифицированных работников со стороны; риск потерять средства, направленные на профессиональное обучение персонала в результате текучести кадров; недостаточная заинтересованность работников в профессиональном развитии; невозможность добиться ожидаемой эффективности труда от обученных работников. Проблемы профессионального развития персонала обусловлены, в первую очередь, снижением значимости персонала и уровня его профессионализма в обеспечении устойчивого хозяйственного и экономического развития отечественных предприятий.

*Ключевые слова:* персонал, профессиональное развитие, повышение квалификации, профессиона-

льная переподготовка, обучение «без отрыва от производства», договор об отработке, мотивация.

### Gitis T., Klimenko S. Research of factors impeding professional development of the personnel of domestic enterprises

Justified the urgency of the problems of professional development of personnel of enterprises. Presented the statistical data that enable to evaluate the level of professional development staff in Ukraine and developed countries. Investigated the basic tendencies and problems of professional development of employees of domestic enterprises: the lack of sufficient funds for the organization and implementation of professional training of the staff; the economic benefits of hiring highly skilled workers from the outside; the risk of losing money to the professional training of the personnel, due to the «fluidity» of frames; lack of employee interest in professional development; there is no possibility to achieve the expected productivity from trained workers. Problems of professional development of staff due primarily to the undervaluation of the importance of staff and level of professionalism in sustainable and economic development of domestic enterprises.

*Keywords:* personnel, professional development, advanced training, professional retraining, training «on the job», contract on «working off», motivation.

Received by the editors: 18.09.2017 and final form 22.12.2017