“Factors influencing staff formation processes at industrial enterprises”

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Factors influencing staff formation processes at industrial enterprises

Abstract

One of the most effective instruments for stabilizing Ukrainian national economy might become increasing the level of competitiveness and profitability of enterprises' industrial and economic activities, especially in the industrial sector. To demonstrate a positive change, it is advisable to create conditions that could facilitate implementing advanced technologies for rational use of all types of resources at the level of an enterprise, with staff being the key resource. That is why tendencies of accumulating human capital and the prospects of its strategic development will depend on the degree of efficiency with which management organizes work on the implementation of staff formation procedures. At the same time, the effectiveness of personnel formation processes is influenced by a significant number of factors, which may be external and internal by nature, which perform transformational impact on all spheres of the enterprise's activity, and which may bring both positive and negative consequences. At the same time, companies do not always have at their disposal effective tools for adjusting the consequences, and even less often do they have instruments to cope with these effects so as to benefit from them. Therefore, efficiency and promptness of managerial decisions on preventing negative consequences and increasing the positive impact will depend on the degree of thoroughness and aptness with which the indicated factors can be established, which would further facilitate objectivity, rationality and practical feasibility of the strategy adopted by the enterprise.

Keywords: personnel (staff), industrial enterprise, staff formation process, external and internal impact factors, efficiency.
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Introduction

The process of staff formation at an industrial enterprise is rather complicated and time-consuming as its effectiveness is influenced by a significant number of internal and external factors that define, transform, and regulate it in both quantitative and qualitative dimensions. One of the conditions necessary for achieving the effectiveness of this process is taking advantage of every available opportunity to balance the interests of the employee and the employer, taking into account specific features of all internal components of the enterprise's operating functions and its external environment (regional labor market, consumers, competitors, regional educational institutions, local authorities, etc.). The extent to which the identified interests are satisfied and balanced is directly reflected in supplying the company with appropriately qualified staff, motivated for sustainable professional and personal development and satisfactorily loyal to their enterprise, which defines an ascending tendency of the enterprise's long-term strategic development.

1. Literature review

When recruiting staff and performing further management procedures, the task of identifying various impact factors becomes rather important though difficult as well, however, early determining and neutralizing their negative effects can prevent possible crisis situations in the financial and economic spheres of managing an enterprise. In this regard, one could mention a number of investigations carried out by scholars across the globe establishing and evaluating impact degrees of heterogeneous factors on the effectiveness of implementing particular staff management procedures. For instance, Sandeep and Singh (2011, p. 66) have determined two groups of influencing factors that are reflected in the effectiveness of staff management process, that is, external and organizational ones. The authors refer such factors as product market situation, nature and extent of competition, labor market situation, government policies and law, economic situation and forecasts, industry prospective, and stakeholders, like suppliers and competitors, to the group of external influencing factors. The organizational factors are associated, according to the authors, with competency status, structural features with their advantages and limitations, policies and practices, cultural factors and staff management issues (Sandeep, Singh, 2011, p. 67). Rosman, Shah, Hussain, and Hussain (2013, p. 87) highlight the fact that in the first place, it is advisable to distinguish between "organizational climate and culture, organization of work and management style", that is, the authors mainly accentuate the administrative and psychological aspects among other internal factors influencing effectiveness of human resource departments at enterprises belonging to practically any sphere of activity.

Marek (2014, p. 82) proves that development of a company's personnel functions is influenced by

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three main factors: first, organizational structure; second, integration of the organizational strategy of staff management with the strategy of knowledge management; and finally, creating working conditions that will enable people to develop their talents and abilities. Bi (2012, p. 22) also differentiates three levels of factors influencing staff management policies: national factors involving national culture and business environment; contingent variables that include age, size, and life-cycle stage of an organization; organizational strategies related to human resources management functions. A systematization of Japanese national factors, devised by Adhikari (2005, p. 6), made it possible to single out such compulsory components as national institutes, national culture, labor market and economy, business environment, and employment relations that are based on lifetime employment, seniority-based reward and promotion, and enterprise-based unions.

Relying on the results of a study of factors influencing employee turnover intensity at an enterprise, Zhang (2016, pp. 86-87) has grouped them into three main blocks: personal factors that include personal characteristics and staff professional development conditions (age, gender, education level, accumulated professional experience, moral and psychological qualities, etc.); organization and work factors that embrace enterprise culture and adopted management system, enterprise benefit and prospect, organization scale, salary, payment and promotion policies, employee training and professional development; social and economic factors that are determined by society's economic development level, labor market condition, employment system and job opportunities, cost of living and quality of life, population's access to public goods and common resources.

Zelinska (2016) distinguishes several external factors influencing staff management process and building its behavior strategies: political climate, economic situation, globalization, demographic changes, technological and innovative development, legal environment, social and cultural trends, environmental factors and institutional standards. As for internal factors, the author refers to them organizational structure, quality of personnel management and use of resources (Zelinska, 2016). Kostunets (2016, p. 213) considers that to external factors that directly or indirectly influence the formation of staff behavior may belong interests of shareholders, suppliers, consumers and competitors, state institutions and legislative regulation, political, social and cultural changes. Internal factors are determined by the author in the following way: various characteristics of personnel, production process, financial, accounting operations and management organization.

Therefore, it becomes obvious that over the last few years, the issues and studies of influence of various factors on the efficiency of staff management processes at an industrial enterprise are considered to be relevant and topical as evidenced by a sufficient number of studies in the specified area and continuous growth of the degree of their intensity. However, most of the analyzed scientific works appear to be mostly declarative of nature, and their authors do not seem to aim at specifying the vector of every single identified factor and degree of its impact on the overall effectiveness and on each component of staff management process at an industrial enterprise.

2. Aims

The aim of the article is to identify, systematize and detail the impact of diverse influencing factors on the processes of staff building at an industrial enterprise. Considering the findings of this research by the management of an enterprise when making managerial decisions should facilitate increasing the efficiency of the staff formation process and enhance financial and economic improvement of its activities.

3. Methods

To achieve the aim of the study, a complex of methods of theoretical research has been used, among which a systematic approach has been applied for substantiating factors driving the flow of staff formation processes of an industrial enterprise; the method of logical generalization served to group the selected internal and external influential factors according to their vector of action and the possibility of counteracting this action by the management of the enterprise; and method of expert evaluation – in determining influence nature and features of isolated factors on the course of each of the stages of staff formation at an industrial enterprise.

4. Results

Staff formation process at an enterprise is subject to the influence of many factors, which can be divided into two large groups – internal and external – depending on the direction in which the factor affects the personnel – if the impact is coming from outside the company or directly from its inner environment (Redkva, 2013, p. 61). The chosen classification of impact factors relies on one more kind of meaningful content referring to the availability of real levers that can be used by an enterprise to prevent, counteract or block out negative effects (or increase positive effects) of the factors mentioned above (Safarova, 2014, p. 194; Zelinska, 2016). Actually, a company does not always have enough capability to control the whole scope of transformational processes; besides, these processes possess, quite apart from their specific impact, an ability to induce a complex effect through multiplying each other continually. Indeed, if it is possible to correct influence

of internal factors in the operational mode with certain managerial decisions of both linear managers and top management, external changes can hardly ever be managed effectively by the enterprise management; therefore, measures to effectively adapt to the inevitable and sometimes unpredictable external changes should be developed and applied beforehand.

In general, internal factors may include all components and activities of the enterprise, which determine and directly model its need for staff of a certain quality, among which we absolutely have to mention the kind of product and peculiarities of the technological process of its production; organizational structure of management and the approved strategy of enterprise development; financial condition and management's attitude to the expenditures on staff development, formation of personnel potential, etc. External factors, on the contrary, consist of the characteristics of the market environment, that influences the company's capabilities in one way or another in terms of building a staff of the required quantity and quality, namely, level of development, accessibility and quality of vocational and higher education in the region and the country; labor market condition and demographic processes; moral norms of the society and requirements of the current legislation and so on. In more detail, internal and external influencing factors are represented in Fig. 1.

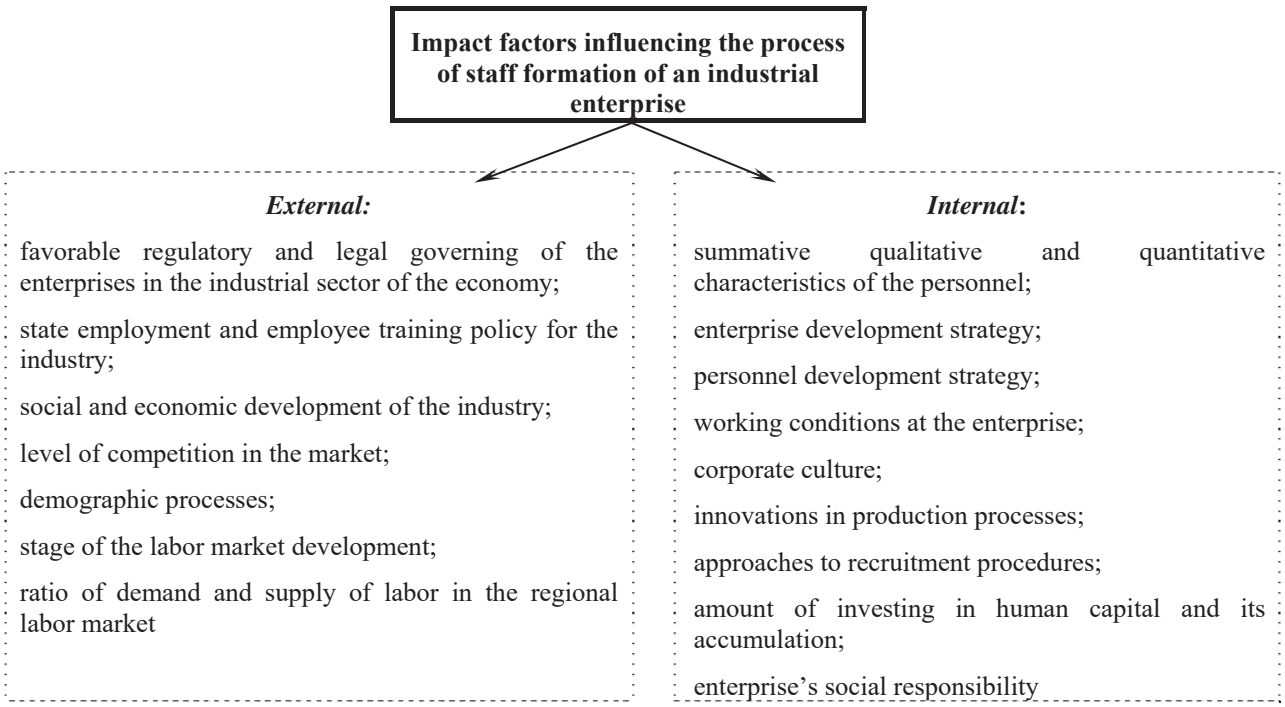


Fig. 1. Internal and external factors influencing the process of staff formation of an industrial enterprise *

Note: * Classification is devised by the authors.

Thus, the competitiveness of the company in the domestic and foreign markets is determined by the holistic system of its components and to a certain extent, it is subject to their forming and adjusting influence. That is, factors that are seen as external for an enterprise, such as the level of demand for the products, consequences of financial and economic crisis, favorable legal regulation, availability of resources, etc., determine the quantity of levels of the enterprise's market maneuverability, its stability and mobility in the market. Inner components of competitiveness, on the other hand, determine the viability of the enterprise; create the basis for its successful functioning and sustainable long-term development.

One of the factors of powerful external influence for an enterprise, which indirectly determines the quantitative parameters of personnel formation process, is the demand for its products. This could be explained by the fact that a tendency to an increased demand in the domestic and foreign markets determines the need for new employees to enter the enterprise in order to be able to fully and timely meet the increased demand. In other words, staff expanding is absolutely necessary, and to realize it, the management could either improve its quantitative parameter or leave the professional qualification structure of its personnel unchanged, depending on the staff development strategy adopted by the enterprise. In times when demand is characterized by a steady downward trend, the company's management will be forced to take effective measures for further market research, develop new or updated product items and offer them to the consumer. Under such conditions, the pro-

fessional qualification structure of the staff can change significantly, and the requirements to the competency of the staff increase significantly.

One more factor that should be taken into account is that demand formation for the products of the enterprise is a very complex and time-consuming process, the course of which is affected by a significant number of heterogeneous factors, such as those which the company will cope in one way or another, and those that cannot be influenced by the company directly, namely: uniqueness of the enterprise's market offer and effectiveness of delivering it to the ultimate consumer; competitors' production, their marketing policy and its aggressiveness; population income and financial scope of consumer spending in the region and the country; availability of the necessary resources and item components, real long-term relationships with suppliers and partners; potential market capacity and position already won at the market; strategy pursued by the investors and shareholders of the enterprise; tightness and effectiveness of the foreign economic component of the enterprise's activities and so on (Osokina, Rudenko, 2015, p. 232; Redkva, Borysova, 2015, p. 141; Safarova, 2014, p. 196). That is why the final result of the demand building process for the products will depend on the competence and experience of the enterprise's personnel, whose professional actions will enable the management to calculate the possible risks in advance and strengthen the most winning positions of the enterprise.

Aggravating competition in the market, as well as fluctuating demand for products, is becoming a factor of intensifying transformational processes in all areas of a company's activity and above all it requires "developing and introducing innovations" through creating favorable "innovation climate" and taking advantage of "innovative type of employment" (Havrysh et al., 2017, p. 26; Onikienko, 2013, p. 95; Tulenkov, 2010, p. 129). Under such conditions, programs for personal development of an individual should be developed and implemented, effective support is to be provided to facilitate the personnel's activity, which should be based on enhancing intellectual and creative aspirations of an individual, nurturing their talents and leadership qualities (Revtiuk, 2016, p. 28; Zhang, 2016, p. 88). With this in mind, an enterprise should make a transition from managing human resources to managing human capital, professional competencies and talents; and this transition requires radical transformation of the personnel's activities in terms of providing them with functions of facilitating development and disseminating innovations, moreover, the transition will also need a change from the role of a leader to that of an innovator (innovation manager), who does not only finance innovative projects, but also constantly motivates the staff to produce an intensive and a productive innovational work (Havrysh et al., 2017, p. 22; Hoshovska et al., 2013, p. 7; Druzhynina, 2014, p. 78; Marchenko, 2013, p. 96; Redkva, Borysova, 2015, p. 142; Serhienko, 2012, p. 105). In this case, the human resources department should act as a strategic partner informulating business strategy of the enterprise (Gilbert et al., 2011, p. 1627; Sandeep, Singh, 2011, p. 68). However, it will only be possible to achieve positive change in the sphere of personnel management if the society overcomes the recent tendency towards favoring cheaper labor force, which has been developing over the last few years; being, among other things, a result of the "producer price and consumer price" imbalance and making it impossible to implement the latest technologies and update the company's material base (Libanova, 2014, pp. 52, 148).

The rate of the regional or the country's economic development should be considered as an important component affecting staff formation; besides, availability of all types of resources for an enterprise and ratio of their value which is adequate in relation to the solvency of the business entity and its customers are equally important. These factors directly affect costs, and in this way determine the marketing opportunities for the company in the national market and feasibility of its entering the world market, thus reducing the prospects for its infrastructure development (Libanova, 2014, p. 731). That is why reducing the production costs by "reducing specific costs for maintaining staff and expenditures on raw materials and energy" should serve as a reserve for increasing the economic efficiency of an industrial enterprise (Nyzhnyk, Kharun, 2011, p. 60). In addition, because of the economic crisis in the country and its consequences, companies' managements are forced to pursue entirely simple staff reproduction and minimize all steps towards professional and personal development, which negatively affects the processes of human capital accumulation and reduces the enterprise's potential.

Another factor of external influence might be the overall system of legal regulation of various aspects of an industrial enterprise, adopted in the country. If such a system is aimed at maximum state support and comprehensive development of business entities, favorable conditions that have been thus created will serve as motivational grounds for implementing innovative approaches to managing production and personnel at an enterprise, promoting the system of life-long professional education of employees and accelerating the pace of human capital accumulation. In the situation where the norms of state legal regulation are constantly changing, and mainly towards limiting enterprises' financial and economic possibilities for maneuvering, the management will be com-

pelled to execute unpopular decisions, for instance, curtailment of funding on the existing programs of renewal, rejuvenation and development of staff, thereby reducing the potential for increasing its own competitiveness and profitability.

Unfortunately, during the years of Ukraine's independence, we have mostly observed various negative tendencies in the field of legal regulation of different aspects of enterprises' activities in the industrial sector of the national economy. Scientists mention the following trends among the negative ones:

absence of effect from implementation of economic reforms, their focusing on consumption rather than on development, which has led to "limited capacity of domestic consumer market", and reduced production volumes (Tulenkov, 2010, p. 35);

addressing state regulatory legal support exclusively to "the interests of big business" (Onikienko, 2013, p. 24);

extensiveness and at the same time ineffectiveness of the regulatory framework due to "the lack of mechanisms that could otherwise ensure innovative development" (Marshavin, 2011, p. 101);

insufficiency of legal regulation of "the private sector of the labor market", its interaction with the authorities (Marchenko, 2013, p. 118).

In our opinion, an important external factor influencing the formation of personnel could be the ability of the regional labor market to meet enterprises' requirements for sufficient number of qualified, promising and progressive personnel with corresponding professional qualification level and work experience. Meeting this requirement can only be possible by providing close relationships between educational institutions and employers of the region with a view to mutually agree on the list of specialties necessary for the development of local enterprises, enrolling corresponding numbers of applicants for each specialty, revising the contents of the syllabi and the curricula. In order to increase the degree of effectiveness of market interaction, governmental and commercial market institutions should necessarily be involved in this tandem (State Employment Service, employment agencies, recruitment firms, etc.) (Tulenkov, 2010, p. 29). At the same time, Onikienko (2013, p. 176) insists that constructive interaction between the employer and the educational institution should begin with the secondary school, which will further form the desired configuration of the motivational profiles of future graduates for the enterprises in the region. Provided the requirements described above are met, professional graduates will not wait behind in the primary labor market being unemployed, but will immediately be able to test the knowledge and skills acquired during their studies and gain practical experience in their specialty, thereby raising their competitiveness in the market. It will mean that the process of staff formation will develop in a guided and more orderly manner instead of being chaotic, which will allow to successfully resolve the strategic tasks of the personnel management process.

The study conducted makes us feel convinced that each one of the described factors of influence does not depend directly on the company's efforts; nonetheless, they have a considerable impact on the process and the result of its staff formation. That is why implementing integrated monitoring of these influencing factors will enable a company to be protected from unwanted external influences and risks.

As far as components of the internal influence are concerned, the company's staff is regarded as the most critical constituent, as outcomes of all the enterprise's production and economic processes without exception depend on the effectiveness achieved by the procedures of its formation. In the basis of ensuring the effectiveness of staff formation process, one of the key roles is played by the approach to recruitment, which is adopted by the company, and the choice of which depends on many factors, among which one should mention the life cycle stage of the enterprise and the stage of development of its labor collective, financial capability, human resource strategy and development strategy of the enterprise, and so on (Havrysh et al., 2017, pp. 33, 52; Bi, 2012, p. 24). Generally, in every single case, human resource managers may decide to adopt one of the three possible options (Hoshovska et al., 2013). In the first case, preference may be given to young and ambitious, although not yet experienced recent graduates of educational institutions of different accreditation levels, depending on the workplace requirements. The advantage of selecting such candidates lies in their stereotype-free thinking and their desire to find the most effective ways to pass the initial stages of their professional development at this enterprise (Havrysh et al., 2017, p. 407). The use of this approach means minimal start-up costs associated with searching and hiring personnel, though later it will require significant investments in the professional development of the new employee, which will predictably recoup the financial expenses at a fairly high rate, however, over a certain, sometimes rather lengthy, period of time (Marek, 2014, p. 78). At the same time, according to Shevchenko (2007, p. 49), it seems to be either impossible or extremely complicated to predict the probability of any economic efficiency of invest-

ments into education and development of the personnel, and especially to calculate or measure it in advance. This is the main reason why the demand for graduates of higher education establishments remains at a very low level in Ukraine, while their supply makes the labor market oversaturated (Druzhynina, 2014, p. 69).

Further, Lisohor (2015, p. 181) also emphasizes the lack of "motivation of both employers and employees of Ukraine to raise their qualification level". A similar conclusion was made in the national reports "Innovative Ukraine 2020" and "Millennium Development Goals. Ukraine: 2000–2015": there is a very low level of interest expressed by "the private capital to raising qualification level of employees without transition to high-tech production"; also, we can observe insufficient intensiveness of workplace training (Heets et al., 2015, p. 280; Цілі розвитку тисячоліття Україна: 2000-2015: Національна доповідь [Tsili rozvytku tysiacholittia Ukraina: 2000-2015: Natsionalna dopovid], 2016, p. 36). That is why utilizing this strategy is accompanied by a significant risk for the enterprise to lose financial resources, which have been invested in the professional development of personnel, who later retire prematurely because of turnover or are not able to assimilate new knowledge and acquire skills necessary for the development of the enterprise. Hereby Porter (1993, p. 223) warns against a potential risk factor such as obtaining full or partial access to the company's confidential information and unique innovative knowledge by competitors through enticing its key promising workers. Crisis phenomena in the country's economy considerably increase the rate of riskiness of any decision concerning investing resources, obtained from various sources, in staff professional development and self-determination. An effective measure of preventing the risks described above for an enterprise might be "a well-organized systematic and qualitative work with personnel, aimed at building its loyalty and devotion", which will serve as the basis for gaining a tendency towards increasing human capital, reducing costs and retaining the key enterprise's specialists (Marek, 2014, p. 80).

The second approach aims at an independent or specialist-assisted search of the secondary labor market for highly qualified employees with rich practical experience and numerous talents, who would be capable of generating ideas for implementing expected changes and able to implement them effectively sometimes even skipping adaptation period, or enticing such employees from the competitors (Havrysh et al., 2017, pp. 179, 407; Thunnissen, Buttiens, 2017). Implementation of this rather aggressive strategy requires significant money expenditures and is time-consuming, especially on the stage of search and employment of the necessary specialist; however, the amount invested in the human capital will exclusively be directed to support the knowledge and skills that new employees have already incorporated (Redkva, Borysova, 2015, p. 142). The main pre-condition for successful implementation of this approach at an enterprise is offering high and competitive salary and satisfactory working conditions for professionals and highly skilled employees that are invited (Redkva, Borysova, 2015, p. 142; Tulenkov, 2010, p. 360). Nonetheless, according to Lisohor (2015, p. 181), recent positive tendencies in the field of salary payments, depending on the level of competence, can only be observed in the sphere of information technologies and telecommunications.

At the same time, Cherniavska (2011, p. 102) emphasizes the fact that there is a fairly intense competition for highly qualified and promising specialists between the employers on the labor market, and this is the reason for increased hiring costs. As a result, according to Lisohor (2015, p. 182), growing competition in the labor market should be accompanied by "improving qualitative parameters of human potential of the enterprise", which includes a number of components, and development of each one of them requires a sufficient amount of investment. One of the effective options to reduce these costs, providing that all the expected tangible and non-tangible benefits are received, might become such non-standard forms of hiring as outstaffing or outsourcing services for a certain period of time within the framework of the concluded agreement (Havrysh et al., 2017, p. 436; Heets et al., 2015, p. 303; Marchenko, 2013, pp. 38-40; Tulenkov, 2010, p. 25; Shevchenko, 2007, pp. 60-61). However, it should be noted that exploiting by an enterprise any leasing forms to meet staff requirements has to overcome certain technological constraints and does not contribute much to improving moral and psychological climate in the team. In addition, regardless of the form chosen, the time period and the rate of return on investment will depend on the scale of the changes the newly hired employee will presumably implement directly into the production.

The third approach is based on minimizing risks and maximizing the benefits of the two strategies described above; and also it relies on balancing and matching, that is, simultaneous recruitment of experienced professionals and involvement of creative youth. This approach will ensure the enterprise's improved competitiveness, and not only operationally, but also in the future, and will allow to implement procedures of staff rejuvenation rationally and in due time. Organizing a center for

training and development of personnel at the enterprise could facilitate achieving this goal (Havrysh et al., 2017, p. 408). The main aim of such centers and their activity should be hunting for talented young people and taking measures for their comprehensive and purposeful growth in both professional and personal aspects, which will optimize the vector and harmonize the process of staff professional and career development.

Quite independently from the approach to personnel selection being currently realized by the management, the effectiveness of the staff and its productive feedback depends on each employee's feeling of security, protection and social fairness, which arises as a result of the policy realized by the company management. This makes us think that "the character of interaction of a labor collective with trade unions" should play an important role in staff formation at an enterprise (Redkva, 2013, p. 65). Trade unions' responsibility is to ensure "equal opportunities and principles of non-discrimination" to every single company's employee through their active participating in raising the staff's professional skills and accumulating human capital of the enterprise (Zinchenko et al., 2017, p. 17).

One of the most influential internal factors that affect the process of staff formation is considered to be the achieved level of the enterprise's material and technical base provided to its production and economic activities. In support of this opinion, the research team under the leadership of Libanova emphasizes the fact that one of the factors deterring quality improvement of the enterprise's staff is "limited financial resources spent on technical reconstruction and modernization of production, outdated production and technological base" (Libanova, 2007, p. 281). A similar opinion is also expressed by Cherniavska (2011, p. 102), who remarks that "improving the quality of labor requires adequate workplaces". To add more to the point, Marshavin (2011, p. 341) emphasizes in this context that highly qualified personnel "will demand introducing innovative technologies and advanced management methods". Indeed, implementing innovative technology, new techniques and management approaches in production requires appropriate retraining and professional development of the personnel, periodic training, which will contribute to "building up loyalty and patriotic feelings" of the staff towards the enterprise; in its turn, the enterprise will acquire the ability to respond adequately to rapidly changing market requirements (Onikienko, 2013, pp. 181, 201). Consequently, the choice of the basic approach to the personnel formation procedures will directly depend on the innovative degree of production capacities and the progressiveness of the material component of production. The choice will be made between focusing solely on talents and highly skilled professionals, or on low and middle level professional staff. Accordingly, the envisaged financial and economic outcomes of the enterprise will change as well.

At the same time, regardless of the choice of personnel recruitment strategy, it could be recommended to create a progressive system of staff professional development at the enterprise, which would provide the employees with skills of managing their own knowledge and principles of self-development; which in general will be beneficial for the effectiveness of staff formation (Druzhynina, 2014, pp. 164, 234). Along with this, keeping in mind the necessity to achieve stable positive tendencies, the chosen strategy of personnel's professional development should be based on the world requirements for sustainable nature of learning and on implementing the principle of "life-long education" at the enterprise (Heets et al., 2015, p. 280; Lazazzara et al., 2013, p. 2157). In addition, implementing an effective system of vocational training is a necessary condition for the growth of employees' professional qualities and increasing competition between them (Adhikari, 2005, p. 107). It can be only possible on condition specified above to create a comfortable moral and psychological microclimate in the team and a motivating environment, which are themselves a necessary prerequisite for the enterprise's long-term development, increased profitability of its production and economic activities, and its strengthened competitiveness in the market (Libanova, 2012, p. 63).

In the case mentioned above, the system of professional development itself can be based on both internal and external (in relation to the company) training bases. Depending on the choice, the costs of the educational process and the expected quantity of knowledge accumulated by the trainees will vary. Therefore, in order to achieve the optimal balance between costs and results, it could be recommended to rationalize those categories of staff that have to undergo internal or external training according to the production needs with prior modeling of the expected knowledge acquired in each case. At the same time, it is only possible to receive a positive effect from professional development and prevent manifestations of opposition to change by configuring such a motivational employee profile, which would be founded on personal motivation, stimulation, pursuing sustainable professional development, gradual incorporation of innovative culture, which should necessarily be supported by material and non-material rewards (Kvasnii et al., 2017, p. 234; Prokopenko, Shypuli-

na, 2014, p. 140; Redkva, Borysova, 2015, p. 141). At the same time, we should keep in mind that the most effective factor of motivation for a Ukrainian employee is the monetary factor, namely, "wages and all kinds of compensations, allowances and monetary factors" (Nyzhnyk, Kharun, 2011, p. 69). This is the reason why effective implementation of these conditions in practice requires unique, conforming to specific features of the enterprise's production and economic activities "schemes for professional development and personnel motivation" instead of monotypic schemes used by the majority of industrial enterprises of Ukraine (Nyzhnyk, Kharun, 2011, p. 95).

One more important internal factor enhancing the effectiveness of staff building process that is worth mentioning here is moral and psychological microclimate cultivated at the enterprise. Creating such a microclimate should be based on building sound relations framework within a team that will stabilize and improve the spiritual atmosphere and the psychological mood of the workers. The management should use every opportunity so that their employees' time spent during or outside of their working hours is associated only with positive emotions, which naturally creates favorable conditions for maintaining motivation to achieve high results of work, inspiration for development and implementation of innovative ideas, aspiring competitive leadership within departments of the same enterprise and among enterprises in the region, etc. Providing the above mentioned conditions are met, the company will witness an increase in staff loyalty to the management and to the company itself.

Each of the identified and analyzed factors influences the following stages of staff formation process of an industrial enterprise both directly and indirectly at the same time (see Fig. 2 below).

The study conducted has led us to the conclusion that internal factors affect the course of each stage of staff formation directly in most cases, while external factors are mainly associated with indirect influence. Provided that the enterprise management differentiates between these factors and vectors of their influence, they will able to introduce more informed management decisions and prioritize their practical implementation in order to increase the level of efficiency of staff formation processes.

Conclusion

This particular research has proved that the process of staff formation at an industrial enterprise is influenced by a number of factors, the impact of which can be of both positive and negative character, and be of either internal or external origin. Domination and nature of influence of a particular group of factors in each particular case will be determined by the effectiveness of staff policy, the enterprise's specification and scale, peculiarities of the regional economy, the region's social and political life and that of the country in general. Considering the fact that staff formation is a continuous a process, its success will depend on both quality and comprehensiveness of monitoring the most influential groups of factors and on the choice of an appropriate evaluation technology. Conforming to the results of such an analysis, the linear management should develop strategic and operational plans and devise specific measures to improve the efficiency of the staff formation processes at the enterprise. In conclusion, we would like to indicate that in order to make effective management decisions aimed at timely preventing adverse effects and maximizing positive tendencies, it could be advisable for the company management to have some effective evaluation tools available to provide both rapid diagnostics and full-scale qualitative and quantitative analysis of the influence of various factors on the effectiveness of staff formation processes. We could also suggest that further studies might be devoted to developing and practical testing of such tools.

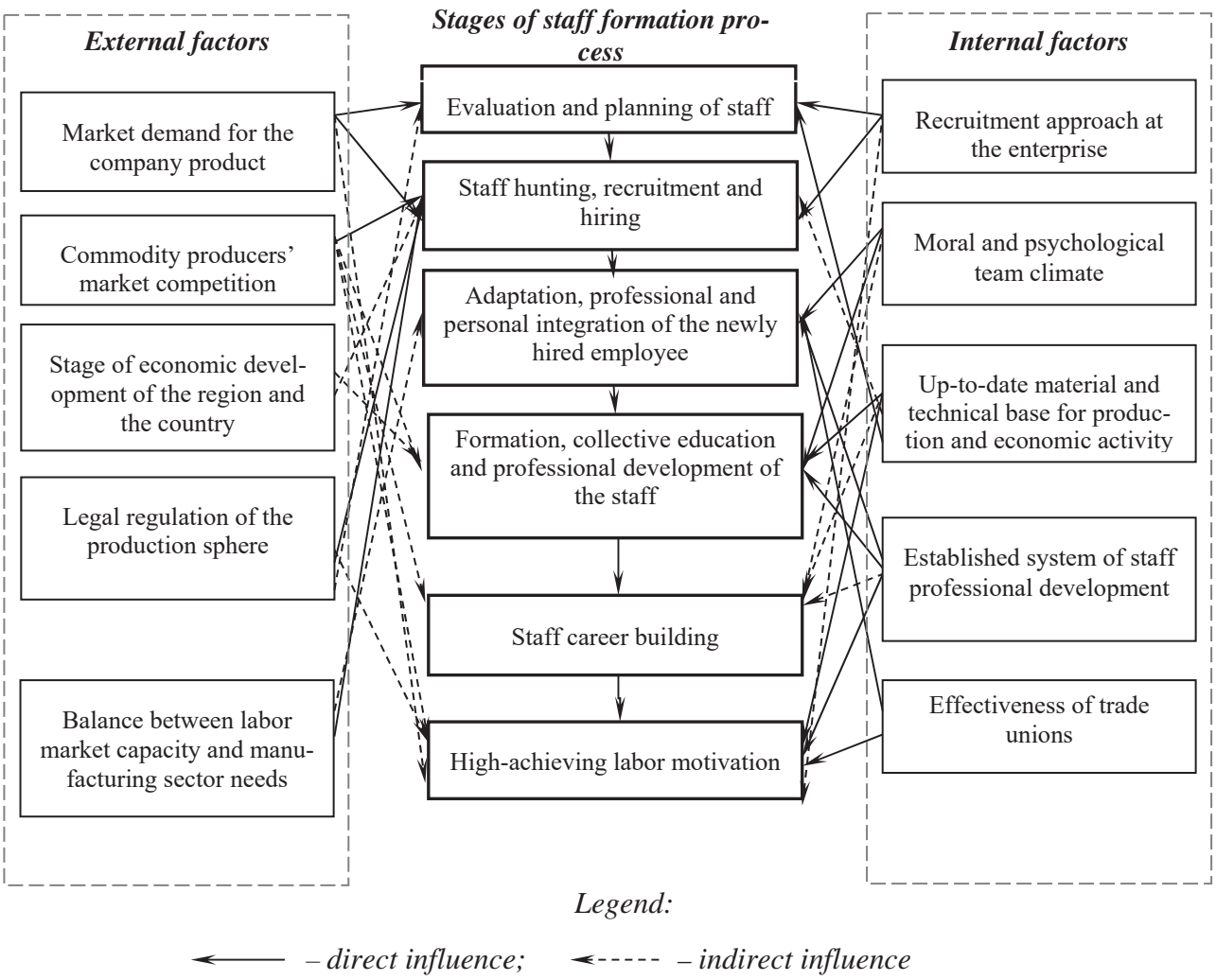


Fig. 2. Interrelation of external and internal factors that influence the processes of staff formation at industrial enterprises*

Note: * Established by the authors.

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