

Section 2. SOCIAL, HUMANITARIAN AND ECONOMIC PROBLEMS OF EDUCATION AND SCIENCE DEVELOPMENT IN THE 21TH CENTURY

UDC 331.1; JEL Classification: M10, M21

CONTROLLING INSTRUMENTS FOR LABOUR INCENTIVE IN THE INDUSTRY

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Key words: labour incentive, controlling, value added, incentive system, performance.

Abstract. The article is devoted to actual problem of labour incentive in the industry in order to improve the organization's performance. The author proves the necessity of the use of controlling instruments for the development and implementation of the labour incentive system. The proposed system of economic incentive focused both on improving the employee's individual results and on the achievement of the organization's performance (increasing of enterprise value added).

The growth rate of real wages in Belarus in the period 2000-2015 was much higher than the rate of growth of labor productivity and GDP [1]. However, increasing wages in this period was not supported by the corresponding increase in productivity and labour efficiency. This led to a decrease in the efficiency of economic activities, washout of financial resources and investment sources. Moreover, such a policy in the area of wages led to a blurring of the incentive system and reduced motivation, rather than to its strengthening, as previously thought. The lack of correlation of results of work and its payment resulted in the fact that wages no longer influence the motivation, i.e. the most important instrument of economic incentive has ceased to work.

Although wages in the industry is slightly higher than the national average, there is still no clear link between the salary and the results of work of the employee and the company as a whole. The main problems in the incentive system, hindering the growth of labour productivity and production efficiency, is the absence of economically reasonable standards of labour costs, considering the modern level of development of the equipment and technology; low motivation to the development of new equipment and technologies; lack of individual approach to the assessment of the costs and benefits of different categories of employees, their individual and group (at division's level) contribute to the final results of the enterprise; a weak correlation between the results of the individual work and the earned reward.

Today there are objective conditions to change the situation in the sphere of labour motivation. External reserves of economic growth have been exhausted, and financial investments in the modernization of certain economic activities do not provide the expected efficiency gains due to the lack of motivation of employees to the

intensification of production and the development of new technology. It's not enough to strengthen the rewards of the managers to solve these problems, an integrated system of economic incentive for all employees of the organization is needed.

The currently used mechanisms of labour activity incentive are inefficient primarily due to poor working out of methodological approaches. In the papers of specialists in economic incentive mainly empirical approaches without a clear study of organizational issues of the interrelationship of various incentive elements are applied. As a result, there are contradictions in the economic interests between different departments; employees are often awarded for the results, which are weakly dependent on their activity or punished for failures that are not dependent on them. These issues require to use controlling mechanism in the system of economic incentive, which is regarded as a system of management actions to achieve the final results. To ensure a high motivation to obtaining the final results it's necessary to develop labour costs and results assessment system, as well as the methodology for evaluating the factors affecting the level of motivation. It's proposed to use the principles of controlling for these purposes.

Under the controlling in the system of economic incentive understood information, analytical support and monitoring of the process of motivation of employees in accordance with the achieved results of economic activities. This takes into account the efficiency of individual activities and outcomes of the organization.

The main tasks of controlling in this case are: establishing of indicators to measure employees' performance; planning of economic incentive fund size; working out of management accounting, which provides an incentive system with the information about individual results of work taking into account the savings of all types resources, created value-added products, the use of capital in the main proceedings; monitoring of external factors and restrictions that affect the parameters of economic incentives; formation of economic incentive funds depending on enterprise performance, taking into account enterprise's value-added created; analysis of registration data and calculation of Individual Performance Factors of workers and divisions; control of distribution of added value and economic incentives fund at an enterprise; evaluation of the effectiveness of the system of economic incentives and its improvement.

Economic labour incentive system includes: evaluation parameters of the enterprise's performance, the evaluation parameters of individual labour results of different categories of employees, methodology for assessing these results; method of calculating the amount of incentive payments of the company based on the assessment results; organizational and economic mechanism of the distribution of incentive payments between departments and employees. As the key parameters of evaluating the performance of the company it's proposed to use value added, as an indicator of the effect and at the same time the financial base for the organization; productivity; return on the use of the active part of the capital as the performance indicators.

Using the index of gross value added for the purpose of creating an incentive system allows to consider a salary not as a labour cost element but as a part of the

added value created by the company, which is to be divided between employees and owners of capital. At the same time the interests of labour and capital become unidirectional.

Implementation of the proposed system of economic incentive of work involves the collection and analysis of information on the results of the enterprise, of the individual results of work of employees needed to determine the size of incentive payments, on a regular basis. Since the traditional accounting does not allow to obtain this information, we propose to use controlling mechanism for this purpose.

Assessment parameters of individual results of work of the employee are being developed for each category of staff, depending on the goals of the organization, on the nature of work and ways of its separation, on the functions and tasks, on the existing labour standards, etc. These parameters should reflect the employee's individual contribution to the achievement of the key results of the organization and the structural unit and should be the basis for calculating the rate of labour participation.

As a basis for calculating the amount of incentive payments to the company proposed to use a regulatory ratio that shows the share of gross value added from operations (which is the financial source of economic incentive) to be distributed among the employees. The value of this ratio will be determined by taking into account the achieved growth rate of labour productivity, reduction of material, the rate of growth of the active part of the capital return, taking into account the average value for the previous period.

Organizational-economic mechanism of distribution of incentive payments between departments and employees of the company is based on the unit's labour participation rate reflecting their contribution to the development of added value in the company, as well as individual employee performance rates.

Economic incentive fund planning is carried out according to the norm from the expected added value of the company in the upcoming period. This norm can be established on the basis of industry-wide relationships payroll to created added value in the industry, adjusted for the specifics of labor standards in a particular enterprise. Planned distribution of the fund is carried out by division by the proportion of their wage fund in the general fund of payment, as well as the importance of each of the divisions in the achievement of organization's outcomes.

The controlling system is provided by the development of indicators for each of the units, taking into account the specifics of their activities. In addition, for production workshops focus on the performance of their direct activities and services, for the management - on the performance by the enterprise as a whole. Then these performance measurement indicators are informed to each unit, organized collection of information on the actual performance of these indicators.

The next step of controlling the incentive system is the actual calculation of the fund of economic incentives of the period on approved standards, as well as their distribution by divisions according to the actual performance.

Thus, the implementation of the proposed economic incentive system based on the use of controlling principles will increase the interest of employees in the results of their own activities, linked to the overall progress of the enterprise on the basis of created value added (financial base pay and bonuses for employees) of the period. Developing the economic incentive system should take into account the size of the living wage budget, minimum wage and average industry wages, productivity growth, and others. During the economic incentive fund distribution controlling it's necessary to assess the ratio of fixed and variable parts of salaries so that the payment or withdrawal of the award were real incentive to increase productivity, reduce materials consumption and increase the impact of fixed assets. The criteria for evaluating the effectiveness of the entire economic incentive system should be an increase in value of the overall performance of the enterprise both of quantitative and qualitative nature.

Economic incentive of labour is based on ensuring employees are interested in improving their own results for increasing the basic salary and bonus. But additional employee benefits are only possible in the presence of the necessary financial base in the form of increased product sales and additional revenue remaining at the organization's disposal. Thus, the system of economic incentive focused both on improving of individual results and on the increasing of enterprise value added, i.e. on the achievement of organization's performance.

References

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UDC 001.81-055.2(476)

HUMAN POTENTIAL OF SCIENCE IN THE REPUBLIC OF BELARUS: GENDER FEATURES

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Key words: scientific personnel, researchers, field of science, gender characteristics.

Abstract. Based on official statistics, analyzed is the gender features of the staff in the sphere of science of the Republic of Belarus in 2015. The comparative data on the distribution of researchers (including doctors, PhDs) by fields of science in 2005 and 2015. The conclusion is made, that despite the fact that there is no gender