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"Management and Organization of Production" department

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ECONOMY WORK

Manual

*UMO of higher education institutions on university
is allowed to polytechnic education as the textbook
for students of higher educational institutions,
students in the direction of preparation "Innovatics"*

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In the manual theoretical basics of work, relationship of work and society, work and business, intra-corporate work and management of work are covered. This knowledge in the field of economy of work is necessary in theoretical and practical training of economists and managers of the top skills in all spheres of professional activity. The grant is intended for the students continuing study in a magistracy, the graduate students, teachers, scientists and persons improving the skills independently or on any courses.

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Preface

The course "Work Economy" provided by the state educational standard of higher education is studied at two levels – a bachelor degree and a magistracy. According to it it is possible to solve a problem of providing a course of the manual in two ways. The first – material covers both levels, but a part it is studied by future bachelors, and an advanced component those who come to a magistracy. This way is justified, especially in transitional the period from single-level to two-level training. There are also good, suitable for such a case, full-size textbooks. A shortcoming them that material of sections, heads, paragraphs is fastened by the general pedagogical idea, material development logic, phraseology, terminology, designations that it is not always convenient at two times approach to studying of a subject when the big flexibility to selection of material, methodology and methods of its giving is required. The second approach consists that material of discipline is provided with two different textbooks most likely written by different on-stage performance groups. The manual is consciously made small on volume, divides material into slightly connected, but enough autonomous, the directions: the world outlook block creating theoretical base of discipline; the block showing a work role in life of society; the block reflecting value of work in business; the block describing intra-corporate work; the block which is concerning management of work at the level of firm and being a transitional link to such related subjects as "human resource management", "labour law", "work audit", "sociology and psychology of work" and others. Today's understanding of modernization is not so much alternation of generations of the equipment and technologies. It first of all creation of other public environment which is not tearing away, and perceiving, reproducing and using new. The main mission of modernization consists in full socialization of the person, formation of the nation as cultural and solidary society. In fact, basic public institutes of Russia, such as mass education, public service, press, science, army, etc., have to be designed and created anew taking into account the best domestic and foreign experience. These purposes, problems, tasks significantly adjust today's ideas of work, its role and functions in life of society and the certain person. The manual is addressed to the students studying in a bakavriatura and a magistracy, and also to graduate students, teachers of economic and management specialties; to the experts improving skills in the field of work and the social and labor relations; to all who are interested in work economy questions in the conditions of modern Russia.

Section I. Work as basis activity of the person and society

1.1. Work: economic essence and contents, features as research object

Lack of a labor hypothesis antroposotsio-genesis Work – from Latin "trudo" – I force, I force. In an Old Russian "trud" – work, suffering, a grief. In the household modern language – forced labor. In scientific and educational literature "work" is described differently. For example. Work – conscious, purposeful, socially recognized, moral in sense of the moral acceptability in relation to other people and society activities for transformation of the world around in own interests. Work – expedient human activity on modification of elements of the nature for satisfaction of the requirements. Work – the purposeful, material (directly fixed), intellectual (indirectly fixed), spiritual (not fixed) human activity on satisfaction of the requirements and societies.

The economy of work represents the system of knowledge of work which was created on a joint of various industries of knowledge: political economies, sociology, akmeology, psychology, management, etc.

Work acts as the main subject of studying and the analysis, and all other factors of production are prerequisites, objective conditions of its implementation and development. At the same time work is considered as an important factor of production which analysis requires development of special methodological approaches. This results from the fact that the human resources understood not only as a factor of economic development (human resources), but also its purpose, take the central place in structure of productive forces of society in all advanced countries of the world. For their research special approaches are required. In particular, the Nobel Prize laureate on economy R. Solow in the work "Labor market as social institute" noted that "employment and income which it brings are not the simple equivalent corresponding to a set of consumer goods", and, therefore, have to be analyzed otherwise.

In this regard management of work has special, other than management of all other factors of production, value. It has to consider as the main role of work in the course of economic development, and the unique characteristics of carriers of ability to

work turning process of management of work into multicriteria creative activity.

Emergence at the beginning of the last century of economy of work as methodological direction in science about work was caused by social requirement of practice, development and complication of production, as predetermined the place and a role of this course in the system of social and economic sciences. In the future this direction has to get a priority referral.

First, the economy of work is theoretical fundamentals of all other sciences about work. It is enough to see annual bound file of the Journal of labor economics magazine reflecting neoclassical approaches to work studying to be convinced that here the most various aspects of work (and also its conditions and process of preparation for it), but only at the teoretiko-methodological level are considered.

Secondly, the economy of work is the "purest" economical and labor science. The behavior of the enterprises and individuals is considered in it as the economic behavior determined, first of all, by a ratio of benefits and losses, but not existing norms and traditions. All other sciences about work contain an essential non-economic component. So, one of sections of the English textbook "Management of Human Resources" which sustained several ideas contains data only from the field of sociology and psychology.

Thirdly, the economy of work is aimed at studying of problems of Work within the enterprise and its direct environment as in any social and economic to conditions real work is carried out at the enterprises, and so the processes happening at higher level anyway are defined by them.

And the final account the majority of sections of economy of work acts as a basis of others social and economical labor disciplines. At the same time the most difficult, the problems of these sciences having basic value become a consideration subject in work economy.

The priority directions of economy of work are:

- assessment of the most important qualitative and quantitative parameters of work and factors of their formation;
- identification of the most essential trends in the sphere of work;
- the analysis and forecasting of various processes in the sphere of work;

- studying of the main features of mobility of workers;
- consideration of processes of management of work and their regulations, first of all, at the level of the enterprise;
- studying of mechanisms of carrying out in life state (federal and regional) politicians and assessment of its impact on the sphere of work.

The manual "Work Economy" has interindustry character and is closely connected with a number of social and economic disciplines: work sociology, management of human resources, personnel, labor law, population economy, labor statistics, etc.

The general with management of human resources and economy of human resources is studying of labor market and the related social and economic relations concerning reproduction of labor. Assessment of the human resources attracted with the enterprise is also a joint object of research of these disciplines.

Interaction of economy of work with sociology of work is shown in community of an object of studying – the person and work, knowledge of regularities of social life, behavior and motives, development of the recommendations submitted on increase in effective management of social processes.

The economy of work is connected with the labor law by the general legislative regulatory base of regulation of the social and labor relations. Development of the labor law promotes studying of problems of management of human resources from the positions existing in the society of labor legal relationship.

With population economy the economy of work has the general information base about reproduction of the population, its economic activity, migration processes.

In statistics and economy of work use the same methods and methods of the quantitative and qualitative analysis of processes in the sphere of work, use of working hours, different types of remuneration, etc.

Thus, work economy as science, without substituting own object of research, uses all arsenal of interdisciplinary sciences as the tool.

Besides, the work economy as the main economical labor discipline is connected also with other social and economic disciplines and, first of all, with the economic theory – the theoretical base of economic knowledge giving an idea of production factors, operation of laws of market economy, the mechanism and borders of

state regulation in the conditions of the market. This knowledge is necessary for understanding of laws of labor market performance, the work pricing mechanism – the salary, sources of formation of income of the population.

Questions of management of work which are considered in this manual make a part of problems of the general management in which attention is paid to methodological bases of management, modeling of situations and development of management decisions on prospect, connection of planning with forecasting, regional economy with macrostrategic programs of deepening of economic reforms. At the same time the economy of work considers questions of the organization, payment and rationing of work, routine and advance planning of labor indicators which are private in comparison with the general questions of management of the organization, studied by the general management.

The interrelation of economy of work with accounting consists that are subject to account along with other elements of production, labor input, funds for payment and material work incentives.

For the analysis of labor indicators and modeling of labor processes the economy of work uses receptions and methods which are studied by science of "Econometrician" in detail.

Consideration of sources and mechanisms of formation of labor capacity of the enterprise and also mobility of labor is carried out in parallel with labor market studying (regional and intra-corporate).

Thus, interaction of economy of work with other sciences contributes to its development, enriches with various scientific tools for carrying out researches and promotes identification of all variety of social and economic problems and communications.

General object of a research which is available in all branches and spheres of economy and is studied by the above-mentioned scientific directions is work. These sciences differ with an object of research, i.e. what party and what properties of an object of a research they study.

The subject of economy of work investigates, first, economic regularities of construction and implementation of labor processes, factors and conditions of their efficiency; secondly, the social and labor relations arising between subjects (employers and hired workers) concerning work use (hiring, arrangement, the organization of work, its assessment, payment and stimulation) of fig. 1.1.

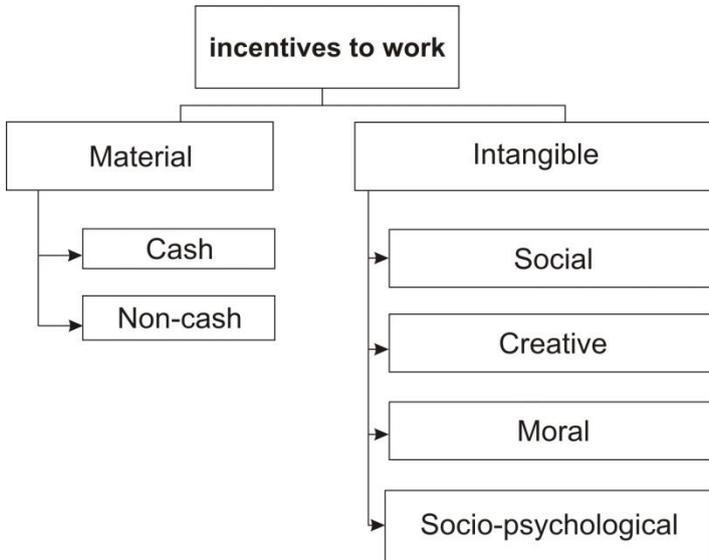


Fig. 1.1. Concept and basic elements of labor process

Formation of the new Russian economy demands implementation of deep restructuring of manufacturing execution system on a scientific basis. The central place in this system is taken by a control system of work at the level of the enterprise. The main science investigating its functioning is the work economy. It is known that the enterprise works as manage it. Now sharply impact of destructive factors on activity of the enterprises which should adapt constantly to difficulties, dangers and calls of both external, and internal property increased. The similar dynamism and strict requirements of the market cause the need for development of the whole complex of crisis response measures, deep restructuring of all production device. These measures are not purely intuitive and the more so impulsive actions of heads of the enterprises. Studying of economy of work allows to understand from system positions methodological and methodical bases of a control system of work at the enterprises of various forms of ownership.

According to it it is possible to formulate the following problems of a course of economy of work as sciences:

- to give a complete idea of economical and labor problems of the world and Russian economy and the main directions of their decision;

- to reveal the main characteristics of work influencing the level of its efficiency;
- to disclose the main regularities of functioning of external and internal labor markets;
- to describe the control system of work at the enterprise corresponding to conditions of the modern Russian economy;
- to define bases for formation of systems of labor remuneration in relation to various categories;
- to establish the factors affecting dynamics of a control system of work within strategic business management;
- to specify the content of actions for restructuring and reengineering of employment at the enterprise, including methods of assessment of effectiveness of these actions taking into account a financial position of the enterprise;
- to open the methodical device on the organization of monitoring of labor indicators and implementation of their comprehensive analysis;
- to describe an order of carrying out researches of economical and labor processes during the solution of a complex of the strategic and tactical tasks facing the enterprise.

The main most important task of economy of work is elaboration of strategic, version thinking in the sphere of management of work at the enterprise. The majority of the corresponding problems has various, sometimes even opposite ways of the decision. It is competent to formulate them, to estimate the main difficulties during implementation of the relevant activities, to reveal contradictions of interests of various economic subjects, to change the nature of interaction of the enterprise and the external environment – all this very difficult tasks demanding non-standard, creative approach. At the same time more and more the particularly important becomes providing with due information base the carried-out actions.

Eventually the choice of actions in the sphere of management of work is carried out on the basis of the system of indicators. Analytical work of various economic services of the enterprise is aimed at increase in efficiency. However assessment of the available and perspective levels of efficiency almost never represents one-stage process, and demands carrying out consecutive calculations. At the same time each subject of economic activity has own system of priorities which nature of coordination significantly affects the end results in general.

Also the requirement of accounting of a condition of the external environment is not less important. Change of its state is capable to lead to significant revaluation of the main directions of policy of the enterprise in the sphere of work and employment. In some cases transformation of an environment of the enterprise is capable to bring earlier rejected decisions to life. In other situation it is necessary to offer new, not being considered earlier, options of actions.

Eventually serious economical and labor problems for the decision demand application of cross-disciplinary approach. Nevertheless, in modern Russian conditions when determining the mechanism of permission of the contradictions arising in the labor sphere the leading role belongs to work economy as the science providing formation of the uniform principles and mechanisms of coordination of different interests of participants of economic activity. Owing to this fact studying of economy of work is an important stage of process of training of highly skilled economists who have to:

a) *to know* essence and an order of regulation of the labor relations, the mechanism of forecasting, planning and management of human resources; methods and receptions of the analysis of economic indicators on work and the salary; reserves of increase in productivity and efficiency of work; methods of economic-mathematical modeling and optimization of labor indicators with use of the COMPUTER and personal computers; methods of the analysis, forecasting and regulation of labor market and employment of the population;

b) *to be able* to make professional solutions in the sphere of management of work taking into account economic and social consequences; to form and realize personnel policy of the enterprise; to conduct a research of efficiency of the applied tariff conditions, forms and the systems of the salary; to develop and carry out actions for their improvement, to make drafts of provisions on work incentives; to define and prove the amount of surcharges, extra charges, awards to a tariff part of the salary; to develop staff lists and to exercise control of their observance, of expenditure of the wages funds and material encouragement; to carry out tariffing of works and workers, Personnel certification; to define requirement of enterprise R to labor, to reveal sources of its replenishment and development (a farm of preparation, retraining and professional development of workers); to develop (together with the trade-union organization)

drafts of collective agreements at the enterprises and to control implementation of the assumed obligations.

The economy of work is the important complex discipline considering as economic, organizational, and social and psychological aspects of work.

Subject of economy of work are work in its historically certain form, public organization of work. The economy of work belongs also to number of concrete disciplines, it studies work of the person, allows to receive the differentiated ideas of essence and a role of work, its place in human lives and societies, about ways of increase in efficiency of work.

Work economy questions gained very acuity in recent years; it is caused by transformations and reforming of life of society, new conditions of managing. The attention, insufficient to these questions, and suspense them can cause social tension in society. Therefore both specification, and revision, and in some cases, and reconsideration of positions to the separate problems making essence and the maintenance of economy of work as scientific discipline is necessary. Among these problems there are, first of all, a motivation and work incentives, working conditions, training and development, formation and labor market performance, placement of personnel in labor collective, formation of labor collectives, measurement and rationing of work.

The economy of work holds a specific place in the system of economic sciences. Unlike branch economies where problems of work are considered as one of factors of production, economies of work studies ways of the organization and stimulation of effective work of people, their relationship in the course of production of the means necessary for life support of the person and society by satisfaction of their material, spiritual, social needs.

Practically there is no such economic problem in any sphere of human activity which in a varying degree would not be connected hardly and the interests of the person. The work economy as the field of economic science, closest to daily practice, is designed to study regularities of formation and development of effective interaction of the person with the nature. But also the economy of work can solve successfully the problems only in interrelation with other economic and also social legal, engineering disciplines. At the same time it expands a sphere of influence due to distribution of its provisions on the solution of economic and social problems, beginning from primary

labor collective, the enterprise to the industry, the region and national economy in general.

In essence, objectively and legally to consider all problems of economy through a prism of work and in this sense the economy of work is both applied, and theoretical economic science. At the same time problems of work become the sphere of applications, both general economic laws, and the laws reflecting essence of work - saving of time, change of work, distribution on work, steady increase in labor productivity, the advancing growth rates of labor productivity in comparison with growth rates of compensation.

The work economy role within the general economic theory seems in the identification anticipating practice, justification and an optimal solution of the priority problems of work focused on creation of economic and social prerequisites for increase in the standard of living of the population. The solution of such problems has to be based on economic calculations and comparisons taking into account observance of minimum necessary levels of the established social standards and standards, for example, of a living wage, the minimum wage, the amount of pensions, social payments, privileges, etc.

The work assessment comparing shares of physical, intellectual, spiritual components fully will be never solved because of their continuity, trinity and at the same time qualitative incommensurability and in turn multidimensionality of each of them.

Indirect estimates are possible. For example, on a share in total number of workers of "white collars" – the workers with engineering level of training serving complex systems and automatic machines. Their specific weight busy in social production continuously grows in the 7th list of all and in the developed countries is 50% today (in the USA – 60%).

The essence of work is that it, beginning with conscious activities for satisfaction of material needs of the certain person, turns into process of more and more full interaction between people, increases the economic, social and spiritual potential, being a source of forward social development.

1.2. Model of the person of work

The person is both a producer and the consumer of the benefits necessary for it. The variety of the human person, her unique identity, a variety of motives of activity do necessary to unify idea of the person, to create a certain model of the person to

understand his behavior in modern life. The model of the person of work is understood as verbal, i.e. verbal, often figurative description of behavior of the average person participating in economic activity.

The uniform model in modern economic science does not exist, it cannot be extra historical, nonnational. It will be as changeable as the concrete national economy, economy of the region, firm, the level of development of productive forces is changeable. The general conditions in which the person of work, its potential, driving forces, the purposes acts.

Driving force of work is the contradiction between unlimited needs of the person and limited resources of their satisfaction. It forces it to work economically rationally and to seek for the maximum possession of resources (property right). Resources and the correct order them allow to receive the benefits satisfying needs of the person. The satisfaction of requirements depends on idea of "norm of consumption" or "norm of life" which is changeable and depends on many factors, including on already reached "standard of living". These concepts are established not only on an average for all level, but also are subjective.

Only existence of *all these* qualities of activity will characterize at the same time work – *work*.

Thus, work is a conscious, purposeful and legitimate human activity (people) on production of the material or spiritual benefits capable to satisfy certain human wants and demanded by people.

Process of work assumes existence of the following components:

1) *an object of the labor* – the substance of the nature or a subject which already underwent impact of work, or subject to rendering services to which work of the worker for the purpose of giving of new properties to them, useful to the person is directed;

2) *means of labor* – all by means of what the worker influences regarding work and that creates it necessary conditions for work. Treat means of labor: instruments of labor (tools, machines, machines, mechanisms, devices and other technical equipment); buildings and rooms in which work process is carried out; constructions necessary for ensuring work (roads, bridges, platforms, capacities, etc.);

3) *technologies of activity*, or a way of influence regarding work. The focus of activity assumes existence of knowledge and (or) abilities for performance of this or that work. Strict consecutive

performance of actions, set of methods of influence regarding work for change or giving to it of new properties, a form, a relative positioning of parts, location in space makes the content of technology of activity.

In the theoretical and applied plan it is extremely important to draw a dividing line between work and free time which the person connects with activity within the hobby and a hobby, on the one hand; and with another – between work and leisure during which the person is busy in a household or self-sufficiency production.

The first, the essential difference between work and a hobby seeming obvious consists that work is carried out for the benefit of others while the hobby of people is engaged a number of. Meanwhile there are many examples of the fact that work is a joy source for occupied, and the hobby can be to useful other people.

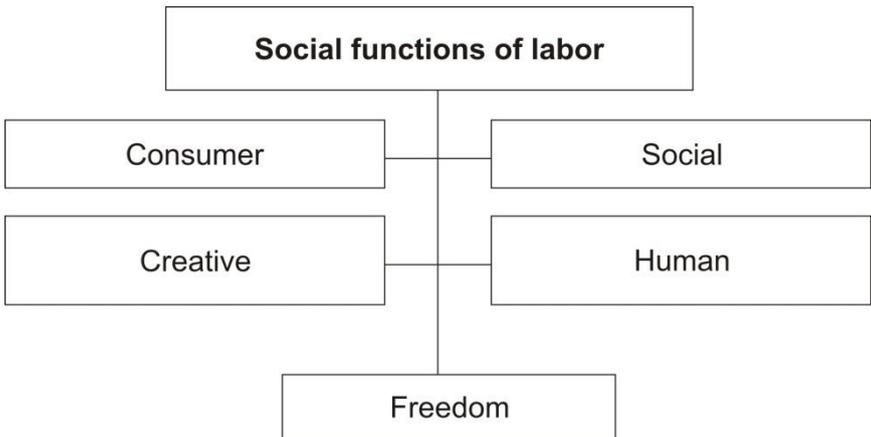


Fig. 1.2. Work functions

The following which is often mentioned by distinction is receiving remuneration for work. Meanwhile in many countries volunteer activity which participants, as a rule, do not earn any material reward is widespread. On the other hand, the hobby quite often brings to the person not only emotional, but also very essential material benefits.

So, from two types of activity which are externally not differing from each other (skiing in mountains and participation on a voluntary basis in activity of mining rescuers) work will be only the second, subject to external control. In this case control is exercised by public

organization. The mining rescuers who are not conforming to the established requirements will be immediately excluded from its reserves.

The principle of external control of work has deep roots at Marxist economic school. The greatest significance is attached to the production which is based on use of cars uniting workers in the organism operating as a unit here. At the same time external control of work in principle can be exercised also without Direct participation of heads, a typical example of what is the conveyor line. However, it concerns, mainly, workers.

But, of course, the most typical is the case when control of work is exercised by the businessman or persons authorized by it.

All three examples of work given above are characterized by accurately expressed external control.

External control (but the remuneration which is not absent in the first example) is intrinsic characteristic of work.

Let's ask, however, a question: whether activity of the businessman is work? It is obvious that to call any particular person controlling his activity it is not possible.

Nevertheless, it is impossible to consider that he acts independently. The external environment regulates its actions not less rigidly, than the businessman – work of hired workers. It, of course, does not mean that its specific actions from the outside are defined. In a number of cases the businessman (as, however, and the hired worker) can act at discretion. However a condition of commodity markets and markets of production resources, actions of competitors, the monetary and customs policy of the state very often do not leave it anything else except how to move on a razor edge.

So, existence of a control system is the integral attribute of work.

However not always this control is external. There are types of activity, excellent both from the types of work considered by us, and from leisure. First of all, activities for self-sufficiency and friendly mutual aid concern them. Abroad they are considered as a component of informal economy.

The main feature of this work is its relative independence of the market. Its purpose – receiving a concrete product (service) in the conditions of a weak external regulation of activity and mutual cooperation of people. Contrary to traditional work there are no

hierarchical structures, deep division of labor, accurate differentiation of working and free time here.

Nevertheless, activity in this sphere significantly differs from leisure (free time spent on a hobby). The person cannot act in it at discretion. Though the regulation is carried out mainly by the system of social norms and the interpersonal relations and also (that takes place when maintaining personal subsidiary farm) a number of climatic factors, it quite often has not less rigid character, than in the system of social production.

Thus, the system of external and internal control is fundamental characteristic of work as expedient human activity. Actually, and the expediency of this activity in many respects consists in meeting requirements of the existing control system for work. The category "work" in economy of work represents indissoluble unity of process of work and process of control of it. Such understanding of work in many respects defines the practical importance of economy of work. Let's note that a number of economical labor disciplines (first of all rationing and the organization of work) is directly connected with formation and functioning of control systems.

The factor carrier "work", a subject of "expedient activity" is the person, the worker who depending on level and scales of a research is transformed to the following categories: human resources, human resources, labor potential and others. Let's consider them in more detail.

Human resources are understood as a part of all population which on the psychophysiological characteristics, intelligence, education can work now or in the future, i.e. has to have working capacity which can be demanded in economy. The working ability of people is shown from certain age which demographers call working or able-bodied. Limits of working-age in any country are established by the legislation. In the Russian Federation the working age is established for men of 16–59 years, for women – 16–54 years inclusive. The upper bound of working-age in Russia one of the lowest in the world; the lower bound makes 14 years (age of obtaining the passport by the young man) that expands an interval between the top and lower borders, actually increasing a share of the citizens who are in working-age. For comparison: in the USA limits of working-age for men and women are in limits of 16–64 years; in Canada and Japan – 15–64 years; in Great Britain for men – 16–64 years, for women – 16–59 years.

The indicator "quality of human resources" is connected with set of the properties characterizing current state of human resources and process of their reproduction. Quantitatively measurable components of quality of human resources are characteristic of birth rate, mortality, a brachnost, razvodnost, condition of their health, life expectancy, educational and qualification levels.

Work is the cornerstone of working ability of the population. A special type of work is enterprise work as the expedient human activity directed to income generation by a combination of various factors of production and based on the creative force of economic entity, its enterprise abilities, constant risk and responsibility.

Except age the working ability of the population is defined by physiological and social characteristics which demonstrate ability of the person to be economically active in any environment.

Thus, the able-bodied population has to have certain age, to be physically and mentally healthy, to have a profession (specialty) or the education allowing to carry out a certain type of work. From here *human resources* is called the able-bodied population at working-age having necessary psychophysiological and social characteristics (they represent able-bodied human resources as a part of the population). Faces with the third group of restriction of working capacity cannot be carried to them by definition; persons with the second and first groups pass in the terms established by the legislation the medical labor commissions of experts (MLCE) which are authorized to change extent (group) of restriction of working capacity depending on the state of health of the person, up to their cancellation.

The state has to consider human resources not only as a factor of economic development, but also as its purpose as at the heart of the it is human (human) resources.

Human resources are not only human resources; they can be concretized also in other categories – economically active and inactive population, the busy population and the jobless population, labor, shots, personnel.

In this regard all potentially able-bodied population (human resources) breaks up to two parts: 1) economically active population (EAP); 2) economically inactive population (ENAN).

Are a part of economically active population:

a) the population occupied in public economy on terms of employment (it is the labor offering the abilities to work in labor market);

b) the jobless population which is actively looking for work and ready to it to start on terms of employment (also treats to labor);

i) the independently employed people (the persons occupied on own (private, family) the enterprise; not relating which do not have the status of hired workers and to labor).

Economically active population makes *the main part of human resources*; the working persons of dorabochy and postworking age can be defined as *an additional part of human resources*. The labor reserve (reserve human resources) of the country makes ENAN which part the able-bodied population unemployed at the moment at working-age is; does not treat to labor as does not offer the abilities to work in labor market on terms of employment at present (however in the future the labor reserve will become EAN and a part it will appear in labor market as hired labor).

Treat to *economically inactive population* (ENAN):

a) pupils, students, cadets of full-time departments of educational institutions, including internal graduate students and doctoral candidates;

b) the persons occupied with housekeeping, education of children and patient care and aged relatives;

c) the able-bodied persons at working-age who were desperate to find work and stopped its search;

d) the persons which are not needing labor income (salary) and existing on other types of income (for percent from securities, on means from rent of personal and real estate, on the means received from inheritance, etc.) or being on keeping of other person, receiving from it the constant help (dependents).

Employment is the activity of citizens connected with satisfaction personal and public needs, which is not contradicting the current legislation and, as a rule, bringing labor income (earnings).

Occupied, according to the Russian legislation, is an active part of the human resources involved in social production from 16 years and are more senior which in the considered period:

1) performed hired labor for remuneration on the terms of full and part-time and also other, the work bringing income, independently or at individuals, irrespective of dates of receipt of direct payment or income for work;

2) temporarily were absent from work on various reasons (a disease, holidays, business trips, retrainings, training, strikes, etc.);

3) carried out work without payment at family business.

By a technique of the International Labour Organization (ILO) rank all persons of advanced age established for measurement of economic activity of the population as busy (in each country it the) and which during the reporting period (even very short – one week or one day) belonged to the following categories:

1) occupied on hiring (persons who performed a certain work for salary or a salary (money or nature); taking a workplace, but temporarily not working and formally keeping the workplace);

2) occupied at own enterprise (persons who performed a certain work for receiving profit or family income (money or nature); having enterprise (firm, a farm) which temporarily did not work during the reporting period for any of several reasons).

Though the categories given above have the legal form, their economic contents connected with implementation by all these groups of work is accurately traced.

The status of employment is defined for all economically active population (i.e. busy and jobless). It depends on degree of economic risk which important element is the nature of relationship of the this person (given a certain authority) with other workers and the enterprises. For the unemployed who earlier had work, this status is defined according to the place of the previous work. Let's consider these statuses.

I. Hired workers are the persons who concluded the written employment contract (contract) or the oral agreement with the head or the authorized employee of the enterprise On work conditions including compensation. The elite appointed or workers approved to a senior position, including directors, the managing enterprises, attendants of religious cults, are also considered as hired workers.

II. As a part of hired workers besides the civilian population such category as the military personnel is distinguished. The persons having a military rank and being on the active military service under the contract or an appeal concern them. Training in military educational institutions of day form of education is not the paid employment (the occupation bringing income). The private and the commanding structure of law-enforcement bodies to whom the special military ranks of "militia", "internal service", "justices" are given do not carry to the military personnel.

III. Employers are the persons operating own (private, family) the enterprise or authorized to manage it (are authorized by

the state, shareholders, economic association, production cooperative) and constantly using work of hired workers.

IV. Working at an individual basis are the persons which are independently carrying out the activity bringing them income, who are not using or using hired workers only for the short term (seasonal or odd jobs).

V. Unpaid employees of family business are the persons working without payment at family business which owner is their relative.

VI. The persons which are not giving in to classification by the status of employment are the unemployed who were earlier not gaining labor income. Here also persons who are difficult to referring to this or that status of employment belong.

Hired workers represent the most numerous group allocated on the status of employment. By criterion of duration of hiring workers are subdivided into the following categories: constants; temporary; seasonal; employed single (accidental).

For studying of various categories busy (first of all hired workers) it is necessary to distinguish concepts of the main and additional work (occupation).

The main work is a work in which place of performance (human resources department) there is a service record. In case of lack of the service record the main work is that work which the worker considers that, or work at which the greatest number of hours is fulfilled. In cases of internal combining jobs (i.e. combining jobs within one enterprise) the main is considered work within the normal duration of the working day for works of this type.

Additional work is a combining jobs of any sort, other work on the contract or odd (single) job.

Jobless are able-bodied citizens of 16 years and are more senior which have no work and earnings, are registered in bodies of the employment service for search of suitable work, look for work and are ready to it to start. At the same time payments of a severance pay and the kept earnings to the citizens dismissed in connection with liquidation of the enterprise, reduction of the number of staff of personnel are not considered. They usually represent the labor reserve which is rather easily attracted by the enterprises.

In modern Russian practice the concept "personnel" which is more general in relation to the concept "shots" as includes both personnel resources, and the workers occupied with a non-core type

of activity involved for temporary jobs, etc. became common. One of the most important characteristics of personnel is its number which is characterized by the following indicators:

- payroll number of personnel, including industrial and its categories – workers, heads, experts, other employees;
- average number of the industrial and production personnel (IPP) and its categories;
- attendance number.

The payroll number of personnel includes the total number of all workers (the workers, heads, experts, other employees) accepted for full-time, seasonal and temporary job for a period of one day and more from the date of transfer for work. This indicator characterizes number for a certain date of the calendar period.

Average number is defined as the average arithmetic size of payroll number on each calendar day for a certain period.

Attendance number pays off, as a rule, on sites and other structural divisions of the enterprise and characterizes the minimum number of workers necessary for performance of production target.

Effective use of human resources at the level of the enterprise assumes its assessment both from a position of personal result, and from a position of results of activity of the enterprise. In this sense it is expedient to consider category "labour productivity" in broad and narrow meanings of a word.

Productivity in the broadest sense is understood as a ratio between release of goods in the form of products and services, on the one hand, and costs of this release – with another. It is called sometimes multiple-factor productivity, meaning that on it practically all factors of production make impact.

In the long-term period growth of a similar ratio means the best use not only financial, material, power and technological, but also human resources and defines the ascending development of economy. In rather short-term period such growth not necessarily demonstrates growth of level and quality of life, i.e. growth of a social component of economic development. Reduction of this ratio means recession not only economic, but also, inevitably, social.

As it was noted, the concept of productivity of broad understanding considers both labor expenses, and capital expenses, and material inputs; it is applicable for any, focused on profit organizations. The value of this indicator consists also that the

countries with the highest performance, but not with the biggest material and energy resources, become economic leaders.

The production efficiency of goods can be characterized by a number of the indicators describing a condition of use both work, and business assets, both material inputs, and different types of energy resources. For example, the condition of use of one of elements of productive forces – the fixed business assets can be estimated by such indicator as capital productivity.

The capital productivity is the relation of results of production to the cost of fixed assets. At the same time *fixed assets* are understood as the means of labor used in production not less than a year in the same natural form. This indicator is important not so much absolute value of the level, how many the dynamics. *Capital intensity* as the relation of average cost of the fixed business assets to volume of the sold products acts as other indicator of use of fixed assets. The efficiency of use of material resources can be expressed in a *material consumption* indicator as the relation of cost of material resources to the cost of goods (products and services). The less this indicator, as well as in a case with capital intensity, the is more effective production of the same volume of the same goods.

The labor productivity is the indicator of efficiency of labor process expressed by the relation of results of production to the corresponding expenses of direct live work.

Distinguish the following types of an indicator of labor productivity: *the individual* labor productivity is the productivity of the certain specific worker or the uniform production site, the enterprise; *the local* labor productivity is a labor productivity **and** the region or the industry; *the public* labor productivity is a labor productivity on the national economy, national economy in general.

As any substantiated work before becoming that, was live work, at the macroeconomic level and for rather long period the labor productivity indirectly reflects production efficiency of goods in economy in general. The public labor productivity, therefore, can be considered as some kind of integrated indicator of efficiency. *The general economic* labor productivity acts as coefficient of all economic efficiency.

However it must be kept in mind that change of volume, the mass of products of services at the concrete enterprise, in the industry or national economy in this period can be result not only labor productivity, but also its intensity. Indicators of intensity and

tension work have physiological character and reflect amount of energy of a human body which the worker spends in unit of time.

The main distinction of intensity and productivity About is as follows: a) the increase in productivity of work means reduction of expenses of physical energy in unit of time – the same expenses of energy give the chance to make more goods; b) growth of intensity of work leaves without change of expense of energy for a unit of production though in unit of time they increase. Therefore the excessive growth of intensity of work is actually equivalent (on the volume of the spent energy) to lengthening of the working day.

Its such level which allows to keep evenly normal efficiency of the worker throughout all his work or the separate working period is accepted to criterion of normal intensity of work.

Degree of tension of work is defined by the rate of working receptions, the number of simultaneous functions of the worker, number of the cars served by it, etc. in unit of time.

The labor efficiency standard depends on forms of its organization, payment and rationing; natural and biological factors – climate, a floor, the state of health; various national and historical prerequisites and also the relation to work during this period.

Speaking about labor productivity, it is necessary to emphasize that the attention to the matter in our *society* is predetermined by need of increase in size of average per capita consumption of material benefits and services. Other ways, besides increase in level of public labor productivity, for achievement of this purpose are represented almost unacceptable as, finally, they are expressed only in growth of unjustified external economic dependence, but also in this case cannot have the character solving this problem.

The problem of increase in efficiency of social production always is relevant for economy, but at the same time it is vital for its development in the conditions of long-term decline in production. Not casually in it is market the developed countries the special facilities developing technologies of management of productivity function. For example, in Western Europe many national centers of labor productivity unite the European association of the national centers of productivity, in Southeast Asia the Asian organization of labor productivity, in the USA – the American center of labor productivity, etc. works. At the same time it is necessary to have also to a look that interpretation of efficiency can have also other character. In particular, the Italian economist Wilfred Pareto (1848 – 1923)

reduced interpretation of efficiency, in fact, to the following formulation: "Resources are distributed effectively if nobody can improve the situation without for someone it did not worsen".

For explanation of this situation he uses a concept of "border of production capabilities" - it is the greatest possible output of goods of a concrete type at those resources and knowledge which the concrete economy, and in the set production of other goods has.

Understanding of efficiency of work is directly connected with the system of labor remuneration operating at the enterprise. *Labor remuneration* is understood as set of the material and other benefits received by the worker owing to his participation in work process.

The main part of labor remuneration is represented by the salary which has the material form and possesses big (the main salary) or smaller (the additional salary) constancy. Sometimes in similar sense also the concept "compensation" is used.

At the same time it should be noted that it is much simpler to investigate the salary, than labor remuneration in general. It is caused not only the fact that it has simpler structure, but also that much bigger stability and predictability even during the long period is characteristic of it. Therefore the main attention in this chapter will be paid to the salary.

Labor remuneration (and first of all the salary) always was and remains a basis of their wellbeing for most of members of society. At the expense of it in the countries with market economy the worker and members of his family satisfy the main part of the needs for food, clothes, housing, etc. Contrary to popular belief, the share of labor remuneration in the total revenues of citizens of the advanced countries constantly increases in recent years, and income from property – falls.

Moreover, through institute of labor remuneration ideas of extent of realization of principles of social justice are in many respects formed. In particular, in constitutions of a number of the countries (including Russia) the principle of equal remuneration for the same work for workers of a different sex, age, nationality, religion, etc. is included. However full realization of this principle demands carrying out comprehensive labor process and its results.

The total value of labor remuneration reflects the price of labor and costs of its reproduction and also a cable and the proposal of labor of a certain quality. Besides, the amount of payment is directly connected with a number of the qualitative and quantitative

characteristics reflecting as expenses (for example, number of the fulfilled hours), and results of work (in particular, development). In the conditions of market economy the size of the salary is influenced by a number of market and non-market factors which need to be considered at least at two levels: regional and at the level of the enterprise.

Within each region there is a certain level of compensation reflecting the labor price (labor service) provided by the worker to the employer. Market price of labor (labor service) represents a reward which the employer is ready to pay, and the worker agrees to receive for use during certain time and with a certain intensity of its abilities to work at the enterprise.

There are also factors operating at the level of the enterprise where, actually, and there is direct and almost continuous interaction of workers and employers. Exactly here the main are formed characteristics of labor processes, affecting their effectiveness and first of all, efficiency of work. That abilities of workers were realized, and their work was effective, between labor and the indicators characterizing efficiency of activity of the worker a certain interrelation has to be established. Establishment of the last are a subject of the organization of compensation at the enterprise.

For employers labor remuneration represents an element of costs of production and the price of goods. Its size is influenced significantly by the cost of the labor representing the sum of the consumer means necessary for reproduction of labor with concrete characteristics at this level of economic development of the region. From this definition it is visible that its size is formed under direct influence of commodity market and services.

Closer is communication of remuneration with the price of labor which usually is expressed in cash and, as a rule, does not correspond to labor cost. In fact many factors have a simultaneous impact on the price of labor, causing its change both towards increase in cost of labor, and towards reduction. First of all its size is influenced by a condition of labor market. At the same time busy are inclined to raise the labor price against its cost, and the businessman, on the contrary, to lower it. Finally the concrete price of labor develops as a result of interaction of two subjects of the market relations: sellers and buyers.

Need of accounting of a condition of the market of consumer goods demands to consider distinctions nominal and the real wage.

The real wage (ZPR) is defined by quantity of goods and services which can be bought for the sum of the nominal salary (ZPN). The relation between them is expressed by a formula:

$$ZPR = ZPN/UT_s,$$

where UT_s – consumer price index.

Absolute level of the salary should be estimated in its actual size. At the same time, it is important to estimate also the relative amount of the salary (that can be made on a basis both nominal, and the real wage). It should be noted that the relative amount of the salary is the main determinants of the social status and the worker's value in society. From the point of view of businessmen, high costs of involvement of labor are important sign of competitiveness of the enterprise and presence at it of strategic prospects.

Actions of the employer for reduction of the price of labor are especially effective when in the city or the settlement there is the one and only *city-forming* enterprise that causes emergence of a monopsony in labor market (dictatorship of the buyer). In this case the businessman can limit labor demand, reducing thereby a rate of the salary and the costs for work in comparison with competitive labor market (when there is a great number of employers and the worker can choose the terms of employment which are most arranging it).

Workers and their professional associations also influence a rate of the salary and terms of employment. In modern conditions the traditional trade-union policy directed to increase in guarantees in compensation of representatives of unique professions whose work has limited demand has essential value. For salary increase labor unions use the next ways:

- restriction of the offer in labor market due to establishment of barriers to immigration, reduction of working hours, prohibition of employment not of members of labor union, reduction of intensity of work;
- pressure upon the employer at the conclusion of collective agreements (for example, threat of a strike or other actions capable to cause essential damage to the employer);
- assistance to development of the productions (first of all labor-consuming) providing increase in demand for work and growth of employment;

- fight against the monopolization of production causing increase in prices and falling of production that leads to rise in unemployment and decrease in payment.

In fact, despite counteraction from workers, employers are stronger economic subjects that forces workers to unite in professional associations. At the same time, in the unions also businessmen unite. Therefore arrangements concerning the size of labor remuneration are formed not only on individual, but also at the signature, branch, regional levels (all of them can be united by sign "collective"). Such approach provides unity of interests busy and pave approximately equal compensation of workers of a certain profession and specialty out of protoxide from the place of work.

1.3. Contents and nature of work

The nature of work assumes existence of a number of signs (lines) in it allowing to speak about a way of connection of personal and material factors of production, about economic and social essence of the relations, the place of the worker in labor process and productions in general.

Content of work is a set of the factors defining a role and development of the main being work process - the person. The most important among them are: structure and volume of the labor functions caused by a variety and features of labor movements, actions and receptions; existence of special knowledge and skills and extent of their influence on quality and efficiency of work; ratio of intellectual and physical, creative and reproductive work. It is necessary to emphasize that the character and content of work express two parties of the same phenomenon: essence and a form of social activities that does these concepts indissoluble and interdependent. The main distinctive features of character and content of work - generality, complexity, collectivism, freedom, creativity, responsibility, a vospitatelnost.

The generality means obligation of work for all persons capable to work; at the same time the market relations in economy do real formation and labor market performance with problems of employment and unemployment in this connection, the particularly important becomes social security of work of the person: establishment of legal safeguards of employment, unemployment coupling, providing living wage, maintenance of needy groups of the population, etc.

Important relative trait of character and content of work - its complexity. This line is caused by what work demands not only expenditures of simple human labor ("muscular energy"), but also use of quite certain knowledge, skill, experience which are gained over time and demand expenses of forces and appliances.

The complexity of work is determined also by objectives by change of an object of the labor, its properties and the applied means of labor. Characteristic feature of work is the collectivism. Historically it developed so that in the course of production people are directly connected among themselves, exchanging raw materials, various products, finished products, information; therefore work always is public. In large production the collective work which is forming the relations and interrelations of participants of process of work, making active abilities of the person, generating creative cooperation and mutual aid prevails. Freedom of work is shown through the right for choice of profession, an occupation and the place of work according to desire, education and opportunities of the person. Degree of freedom of work is also caused by the voluntary choice by the person of forms of ownership. It is necessary to emphasize that individual approach to definition and assessment of motives of work of each person proceeding from his preferences - the size of earnings, the relations in collective, interest in the content of work, working conditions, social guarantees and security is important. Degree of freedom of work is closely connected with such traits of character of work as creativity, responsibility, a vospitatelnost.

A variety of traits of character and content of work finds reflection in classification of work by types.

It is necessary to distinguish functions from functions of work (action, operation, a duty) which people perform in the course of work. As well as on many other questions, among experts there is no uniform point of view on structure and classification of these functions. Most often in the course of work allocate the following functions:

- *logical (cogitative)*, connected with definition purposes and preparation of a system of necessary labor operations;
- *performing* – reduction of means of labor in action in various ways depending on a condition of productive forces and direct impact on objects of the labor;
- *control regulating* – observation of technological process, the course of implementation of the planned program, its specification and adjustment;
- *administrative*, connected with preparation, the organization of production and the management of performers.

Each of the called functions in a varying degree can be present (or not to be present) at work of the certain worker, but is by all means peculiar to cumulative work. The set of the actions distributed between certain workers, operations, functions, their interaction and interrelation form the content of work. Depending on prevalence of these or those functions in work of the person the complexity of work is defined, there is a concrete ratio of functions of intellectual and physical work.

Change of structure of labor functions and expenses of time for their performance means change of content of work. The main factor causing change of content of work is scientific and technical progress.

Content of work reflects belonging of work of a concrete type to this or that field of activity (work in the sphere of production of goods, in services sector, sciences, cultures and arts, etc.), the industries (work in any industry, in construction, in transport, in agriculture), to a type of activity (work of the scientist, businessman, head, worker, etc.), professions and specialties. Content of work finds reflection in qualification and tariff and qualification reference books, regulations on divisions of the organizations, duty regulations.

Except the substantial party work has also the social and economic party called *by the nature of work*. The nature of work is defined by the system of relations of production and extent of development of material and technical resources of this way of production of fig. 1.3.

Classification of types of work

The main elements of a system of relations of production defining the nature of work are:

- the relation of workers to means of production, form of ownership on means of production (For example, work private and wage labor);
- way of connection of workers with means of production work compulsory and voluntary, dependent and free);
- communication between work of an individual and cumulative work of society (work personal and public, individual and collective);
- relation of workers to work (work initiative and lacking initiative, conscientious and unfair);
- degree of the social differences in work caused by social structure of workers, differences in the level of their preparation, content of the carried-out functions, working conditions.

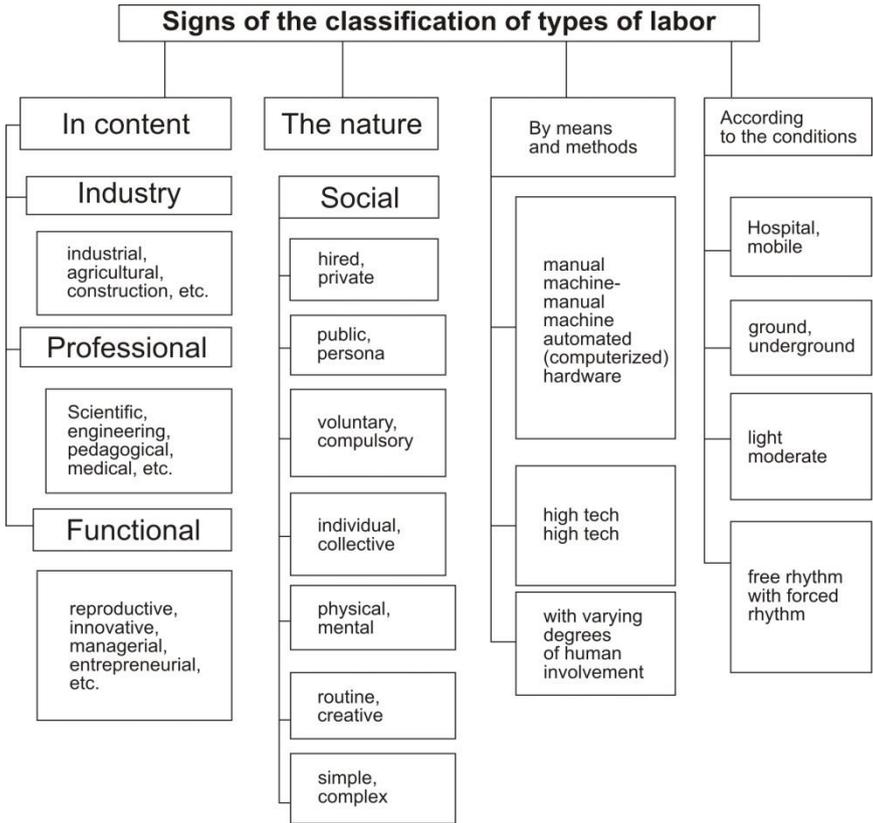


Fig. 1.3. Classification of types of work

Contents and the nature of work are closely connected among themselves as express various parties of the same work. The combination of characteristics of contents and the nature of work allows to allocate different types (versions) of work, to group them in these or those signs. The approximate, not applying for completeness classification of types of work is given in fig. 1.3.

1.4. Subject and objects of economy of work

In process of development of human society and understanding of a work role by it the aspiration to learn regularities of labor process and the related relations, to make work more productive, to facilitate it develops in his lives, be ordered, to improve

working conditions, etc. The system of sciences about work – work physiology, work psychology, the organization and rationing of work, technology, work economy, the labor law, etc. results. Work as expedient activity of people as function of social production for all these sciences acts as a research object. But each of sciences studies the circle of the problems connected with work of the person, has the object of research.

The economy of work studies the relations arising between people concerning connection of workers with means of production or involvement of people to work, division and labor co-operation in society, ensuring efficiency of Process of work, distribution of results of work, reproduction of labor. All listed above relations are called *social and labor* and make the maintenance of the concept "public organization of work". Therefore it is possible to tell that a subject of economy of work is the public organization of work, or the social and labor relations apropos employment, efficiency of work and its payment.

The concept "work economy" is used in two values: as part of national economy or region (system of managing) and as science (scientific discipline). As a part of national economy (region) the economy of work represents dynamic socially organized system In which there is a process of reproduction of labor – its production (preparation, training, professional development of workers, etc.), distribution, exchange and consumption and also conditions and process of connection of the worker, means and objects of the labor are provided. The work economy as science studies the social and economic relations developing in the course of production, distribution, exchange and consumption of labor.

Studying of the problems carried to a work economy subject can be carried out at various levels: level of the enterprise, corporation, industry; region level; country level in general. According to it the modern concept of economy of work assumes allocation of three of its-level sections – microeconomics, mesoeconomies and macroeconomics of work (fig. 1.4).

For each level of economy of work it is possible to allocate the key problems reflecting the most essential aspects of activity. For *macroeconomic of work* is a formation of socially labor policy at the federal level, forecasting of labor and social indicators of development of economy, creation of a system of interaction of federal and territorial authorities on work; for *work mesoeconomy* –

formation of social and labor policy at the territorial level (levels of the territorial subject of the federation, region, city, area), development and regulation of territorial labor markets, creation of systems of interaction of territorial authorities in work with the enterprises.

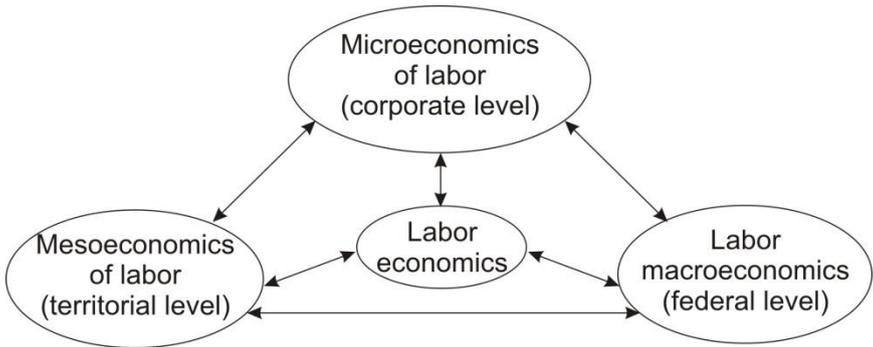


Fig. 1.4. Level sections of economy of work (work economy objects)

It is possible to refer formation of the person of work and personnel of the enterprise, development and use of labor potential of workers, increase in efficiency and profitability of work, level of its payment on the basis of the modern equipment and technology, application of the most rational forms of the organization, rationing and compensation to the most important problems of *microeconomics of work*.

The general for all levels of managing is need of formation of the social and labor relations and development of social partnership, growth of employment and decline in unemployment, protection and a humanization of work, increase in a wage payment -

In a generalized view it is possible to tell that the economy of work is the science studying the social and labor relations concerning employment, efficiency of work and its payment; regularities of development of public organization of work; mechanisms of formation and effective use of labor capacity of society, region, enterprise.

Questions for self-examination:

1. Why socially recognized activity of people is recognized as work?
2. In what distinction of the concepts "work", "activity", "work"?
3. In what difference of physical work and intellectual?

4. What simple moments of process of work?
5. What main labor concepts do you know?
6. What components does work have?
7. What is the nature of work?
8. What forms of manifestation of process of work?
9. Call the main public functions of work.
10. Why leveling distribution of the creating benefits is a brake of economic development of society?
11. Why work is necessary for development of the person and society?
12. What is the content of work and what main functions form it?
13. What is represented by requirements, interests, motives and incentives and as they are connected with labor behavior of the person?

Section II. Organization of work in society and management of work

2.1. Essence and basic elements public organization of work

Work is an indispensable condition of life and natural state of the person. Carries out the most part of life of people in the course of work. At the same time distinguish work on service by the person of and the family and the work included in public exchange of converting activity. The scientific name of the first type of work – work on self-service, the second – socially organized work. The economy of work studies socially organized work, is more right – public organization of work.

That labor, process in scales of society could take place, constantly being resumed, it is necessary: first, to connect labor to means of production; secondly, to provide rational division and labor co-operation in society for its effective functioning; thirdly to create conditions for reproduction of labor; at last, fourthly, to distribute results of work between members of society. All listed elements make the maintenance of the concept "public organization of work".

The public organization of work is understood as set of forms and methods of involvement of people to work, divisions and labor co-operations, reproduction of labor and distribution of the results of work characteristic of this or that socioeconomic structure.

At all steps of development of human society work process, especially in its mass scales, can be carried out only in the presence of the listed elements of its public organization. However specific forms and implementation methods of each of elements change from one socioeconomic structure to another and are in direct dependence on form of ownership on means of production, social way and a social order.

According to it distinguish the following types of public organization of work: *primitive-communal, slaveholding, feudal, capitalist, socialist, poliformichesky*.

The name of the last of the listed types of public organization of work is connected with the fact that that way of the organization of society which was based on domination of any one social form of one social way which was forcing out or subordinating to itself others and was called a social and economic formation, disappears. It is

succeeded by the social systems which are based on variety of social forms, on competitive interaction of structures of different social types.

Changes in forms of connection of labor with means of production are especially evident. The mankind knows several such forms.

The natural form of connection of the person with primitive instruments of labor caused by need of participation in getting of a subsistence of all able-bodied members of a sort, the tribe, community – *self-coercion* is characteristic of primitive society.

For slaveholding and feudal ways of production where in the same hands the property on means of production and on workers concentrated, *direct physical compulsion* of people to work – so-called discipline of a stick is inherent.

Under capitalism direct physical is succeeded by *economic compulsion* of people to work – so-called discipline of hunger. Legally free, but not having means of production people are forced to sell the labor (ability to work) to owners of means of production. There is a *purchase and sale of labor in the form of hiring* of the worker by the employer.

In the conditions of the production existing in the USSR of a socialist way the attempt of direct systematically organized connection of labor with means of production in scales of all society was made. As the constitution considered work as a holy duty and honorary duties of each able-bodied member of society, and work legislatively admitted only public economy, the mechanism of *administrative coercion* to work in essence operated.

The highest form allowing to realize most fully abilities of the person to work is *direct and direct connection of the worker with means of production* when he is their owner (or the co-owner). Such form is implemented in family business and farms, communes, cooperatives, national enterprises.

In the modern world practically all called forms of connection of labor with means of production coexist.

The most important elements of public organization of work are *division and labor co-operation*. Division of labor is understood as differentiation between people of different types of work. The simplest form of division of labor – the natural division arising owing to sexual and age distinctions of people i.e. on purely physiological basis. Such form of division of labor is peculiar to primitive community (however,

as well as any family) at an initial stage of its existence. Further development of human society is inseparably linked with emergence and constant deepening of public division of labor.

After K. Marx it is accepted to allocate three types of public division of labor: the general, private and single. The general division of labor assumes distribution of work between large spheres of employment (the sphere of production of goods, a non-productive field of activity), branches of the national economy (the industry, agriculture, trade, transport, etc.). Private division of labor exists between the industries and subsectors in branches of the national economy, between separate productions. For example, the industry as the industry is subdivided into metallurgical, machine-building, easy, food, etc.; mechanical engineering industry – on machine-tool construction, automotive industry, car building, etc. The general and private division of labor predetermine industry structure of social activities. Single division of labor happens in the enterprise and gets forms of functional, technological, subject, professional and qualification division of labor.

According to functional division of labor allocate four main groups of workers: heads, experts, workers, (in their structure the main are allocated and auxiliary), pupils.

Technological division of labor is caused by features of concrete technological process and assumes specialization of workers on performance of separate stages of production (postadiyny division of labor), types of works or operations (pooperatsionny division of labor).

Subject division of labor assumes specialization of workers on production of certain types of products – finished products, knots, details.

Within professional division of labor there is an allocation of separate professions and specialties. A *profession* – work sort which is characterized by a complex of the theoretical knowledge and practical skills necessary for performance of a certain work in one of branches of economy. *Specialty* – set of knowledge and skills necessary for implementation of a narrow circle of work within a certain profession. For example, within a profession of the turner there are specialties: lathe turner, borer, capstan lathe operator, turner-semi-submachine gunner, etc.

Qualification division of labor is defined by distinction of works on their complexity that in turn causes different terms and methods of training of workers for performance of the corresponding functions.

Division of labor would not make sense if along with it labor co-operation – association, coherence of labor actions of certain workers, work collectives, national farms in the course of reproduction of the material and spiritual benefits was not carried out.

We find simple and accurate definition of cooperation at K. Marx: "That form of work at which persons systematically works hard as a row and in interaction with each other in the same process of production or in the different, but connected among themselves Production processes is called cooperation". It possesses statements about the general nature of cooperation and its role in increase in productive force of work: "Cooperation represents a general form which is the cornerstone of all social systems directed to increase in productivity of social activities and which in each of them receives the further specification".

Labor co-operation creates the productive force of work, new, higher in comparison with the sum of a set of individual forces, at the expense of the following factors:

- increase in mechanical force of work;
- expansion of the spatial sphere of its influence;
- actuating of a large number of work during a short period;
- awakening of rivalry of individuals and tension of their vital forces;
- spatial narrowing of the arena of production in comparison with increase in its scales.

Allocate two main types of labor co-operation: *simple* cooperation of uniform, identical concrete work and *difficult* cooperation of the divided work, i.e. association of different types of concrete work.

One of forms of manifestation of labor co-operation is *cooperation* – the organization of production communications between the enterprises, the industries, territories of the country and also between the countries for coproduction of products or performance of work on the basis of public division of labor and specialization of production.

Cooperation can be carried out and be classified by certain signs:

- *production* (according to specialization of the enterprises – modular, podetalny, technological);
- *branch* (intra-branch, interindustry);
- *territorial* (intraregional, interregional);
- *international* (interstate, interstate).

The important place in the system of public organization of work is taken by reproduction of labor. At the same time *sublabour*, or ability to work, in compliance "the set of physical and spiritual abilities which are possessed by an organism, the living personality to the person and which are used every time when it makes any *potrebitelny costs*" is understood by the known definition of K. Marx. In statistics labor it is accepted to call also economically active population, i.e. those carriers of abilities to work which actually work or look for work and are ready to start it. Therefore reproduction of labor includes reproduction of carriers of abilities to work, reproduction of physical and spiritual abilities of people to work, distribution and use of labor, reproduction of the economic relations concerning production, distributions and uses of labor.

In the course of reproduction of labor conditionally allocate three phases: production, distribution and consumption (use) of labor (fig. 2.2). The phase of *production of labor* includes:

- first, restoration of physical and mental capacities to work of the functioning workers;
- secondly, production of new carriers of labor for replacement of the workers leaving the sphere of production (owing to natural losses, retirement, etc.) and for providing newly created jobs;
- thirdly, general education and vocational training and retraining of the new and functioning workers, further development of their abilities to work.

Public division of labor causes constantly reproduced process of *distribution and redistribution* of workers between fields of activity, territorial educations, the industries, the enterprises and the organizations. This process finds the expression in formation and continuous change of territorial, industry, professional structure of workers.

Consumption (use) of labor is a process of work, process of production of goods and services, transformations of abilities to work of potential in real. Contents and efficiency of process of consumption of labor find expression in characteristics of employment and unemployment, indicators of use of human resources and labor potential, labor productivity and production efficiency.

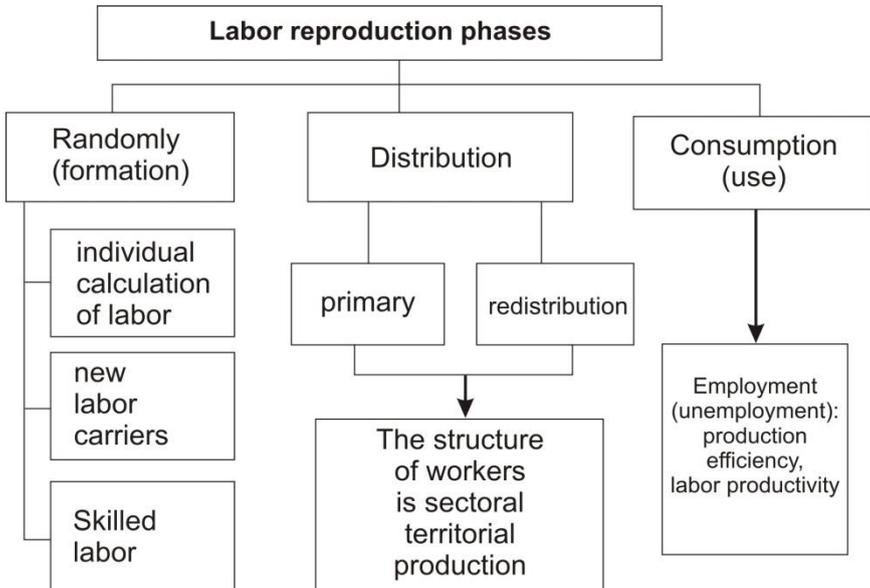


Fig. 2.1. Content of reproduction of labor

Simple reproduction is characterized by maintaining cumulative ability of workers to work in invariable scale: the number of carriers of abilities to work does not grow, do not change and abilities as a result remains stable or even the output of goods and services is reduced. *Expanded reproduction* of labor is characterized by increase of cumulative ability to work in society, the region, about increase can be carried out in the extensive or intensive way. The extensive way is provided with increase ate carriers of ability to work (the index of number of able-bodied population more than unit) at preservation them abilities of individual workers in invariable lines. As a rule, it is followed by control of progresses in the equipment and the production technology as skills of workers are not improved. The intensive way consists in development of abilities to work in the functioning and new carriers of these abilities. Higher level of general education and vocational training, growth of qualification, professionalism and competence of workers can provide expanded reproduction of cumulative labor at invariable or even to the reduced its number. In real life both of these ways can be used at the same time.

The narrowed reproduction is followed by reduction of cumulative ability to work due to decrease in these abilities at individual carriers of labor (as a result of deterioration in general education and vocational training) and reduction of number of these carriers.

2.2. Management of work in society

Component of process of reproduction is management of social activities. Objective need of management of social activities in the conditions of its division and cooperation is noted by K. Marx: "Any directly social or joint activities which are carried out in rather large scale need to a greater or lesser extent management which establishes coherence between individual works and performs the general functions arising from the movement of all production organism unlike the movement of its independent bodies. The certain violinist himself operates himself, the orchestra needs the conductor".

Management of work can be considered in narrow and broad meanings of a word. Management of work in narrow sense is understood as management of labor processes, work of certain workers and work collectives. The mechanism of such management is considered by disciplines "The organization of work", "Work rationing", "Human resource management", "Management", etc.

Management of work in the broadest sense in essence means management of the social and labor sphere, i.e. that sphere of the social and economic relations and processes in which the relations concerning public and working conditions of work, ways of its implementation, the organization, payment, discipline, concerning labor ethics, formation and functioning of the labor relations, etc. dominate.

Management of work does not come down to management of it only as a production factor, and acts as social process. These specifics of management of work follow from the fact that the worker – not only the labor suitable for performance of concrete functions in production and and the person, the citizen, the member of society – the subject of the public relations. The essence of management of work in society consists in providing the reproduced and socially steady conditions of participation of people in work by means of reproduction of normal social standing of workers and members of their families.

The control system of work functioning in society is characterized by type, methods and the forms of government (fig. 2.2). Types of management of work are allocated by criterion of nature of management in society, i.e. eventually – on the nature of a social order. By this criterion allocate two main types of management: totalitarian and democratic. *The totalitarian type* is based on limit state dictatorship. Totalitarianism is the form of government differing in complete (total) control of the state over all (including social and labor) spheres of life of society; distinguishing his citizens of any individual freedom. As a matter of fact, the totalitarian type is characterized by presence of one subject of management of work of the state.

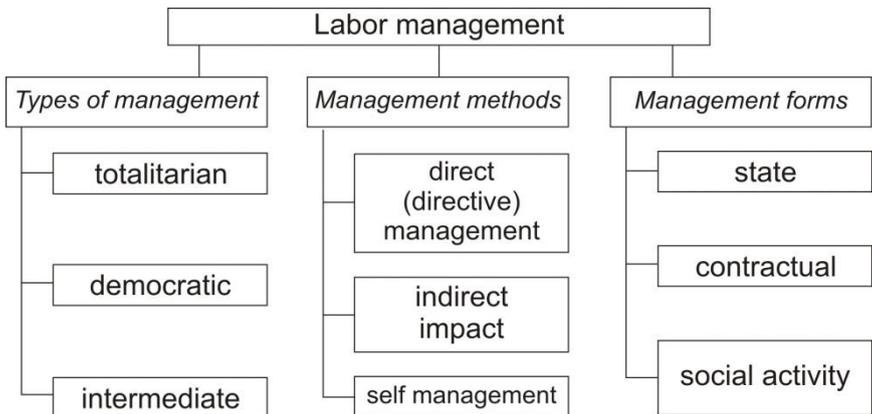


Fig. 2.2. Control system of work

Antipode of totalitarianism is *the democratic type* of management of work which indispensable and distinctive sign is the developed and freely realized real multisubjectivity. The last means that within democratically adopted laws in society the great number of subjects of management of work functions - it is natural and legal entities, the state and municipal organizations, public associations and the unions.

The general direction of changes in modern Russian society is transition from totalitarianism to democracy. In relation to the social and labor sphere it means transformation of the worker in a full-fledged subject of the relations, freely and independently defining the employment in interaction with society and the state, directly or

indirectly participating in the solution of social and labor problems. This process, is supported with the legislative ban of forced labor, cancellation of obligation of work for each able-bodied member of society, labor market development, prevention of unfair competition in labor market, introduction of a system of social partnership, ensuring rule of law in regulation of problems of employment, etc.

Except the called two extreme ("clean") types there are various *intermediate types* of management of work differing in various options of a combination of diktaturny and democratic types. Among intermediate call authoritative, self-administrative and other types of management.

In close connection with types of management there are methods of management of work which are understood as basic ways of rendering administrative impacts on social and labor processes and their participants. For management of work, social and labor processes three main methods are used:

- *a method of direct (directive) influence* of the managing director on operated and through them on the operated process. Any prohibitive norms in laws on work (the minimum amount of the salary, the established duration of working hours, a holiday and overtime works, standards under the terms of work can be examples of such method of management, etc.), direct administrative decisions are the decrees, orders, orders directed to regulation of the labor relations. Therefore quite often such method of management is called *administrative*;

- *method indirect (through interest) influences* of the managing director on operated and through them on the operated process. Indirect methods of management (economic, psychological) are applied when the operated subjects were given an opportunity of the choice of various options of labor behavior. A universal form of various indirect methods of management of work is stimulation;

- *self-government method* when participants of process make and execute decisions.

Depending on what subjects of the social and labor relations realize these or those methods of management, distinguish the forms of government work; It is integrated allocate three forms of government with work: state, contractual and forms of public activity of various subjects of the social and labor relations. *The state* forms of government are used by work when as the subject of management of work the state in the form of bodies of legislative, executive and

judicial authority acts. According to it forms of the operating influences of the state in the social and labor sphere are laws, decrees and orders of the president, the resolution and the order of the government justice by means of legal proceedings (in Russian "federations in the sphere of management of work the constitutional, Civil, administrative and criminal proceedings are used).

The central body of federal executive power which was carrying out work on ensuring uniform state policy in the field of work, employment and social problems and at the same time coordinating work on these directions to the middle of 2004, was the Ministry of Labour and social development of the Russian Federation (Ministry of Labour and Social Protection of the Russian Federation). Min. work of Russia in interaction by Other central bodies of federal executive power, executive authorities of territorial subjects of the Russian Federation, public associations, together with the organizations subordinated to it, institutions, local bodies for work formed a uniform state control system of the social and labor sphere. According to decrees of the Russian President of March 9, 2004 No. 314 "About a system and structure of federal executive authorities" and of May 20, 2004. No. 649 "Questions of structure of federal executive authorities" of Ministry of Labour and Social Protection of the Russian Federation it was abolished, and its functions are transferred to the newly established Ministry of Health and Social Development of the Russian Federation (Ministry of Health and Social Development of the Russian Federation) and subordinated to it To Federal Service for Labour and Employment (Rostrud).

Treat the functions assigned to the Ministry of Health and Social Development of the Russian Federation: elaboration of state policy and legal regulation in the sphere of social development and work, including questions of the standard of living and the income of the population, population policy, compensation, provision of pensions, conditions and protection, work, social partnership and the labor relations, employment of the population and unemployment, labor migration, social protection of the population; government relations of the foreign states and the international organizations in the social and labor sphere.

The Federal Service for Labour and Employment is urged to carry out functions on control and supervision in the sphere of work, employment and alternative civil service, on rendering public services in the sphere of assistance of employment of the population and

protection against unemployment, labor migration and settlement of labor disputes. *The contractual* forms of government are used by work when management decisions on social and labor questions are made on the basis of joint actions and arrangements of several equal subjects. Now in Russia the following contractual forms are used:

- general agreements between the all-Russian trade union associations, all-Russian associations of employers and Government of the Russian Federation;
- regional and territorial agreements between regional trade union associations, regional associations of employers and government (administration) of regions;
- industry (interindustry) tariff, professional tariff agreements at the federal level between industry trade union associations, employers, the industry ministries with the assistance of the Ministry of Health and Social Development;
- collective agreements between representatives of labor collectives (workers) and administration of the organizations (employers);
- individual employment contracts (contracts) between workers and employers.

Pickets, demonstrations, strikes in support of these or those social and labor requirements, initiation by parties, public associations, individuals of offers on change of the existing labor law can be examples of *forms of public activity of subjects in management of work*.

2.3. Conceptual bases of management human resources of society

The person as the personality in real social life is the representative of a set of social institutes – families, schools, labor collective, society. In the social plan of people represents integration of the personality (as subject of activity), cultures (as universal way of implementation of activity) and the social organization (as forms of its joint activity). Any economic transformations and social changes lead to one, but global process of human development. At any movement in society there are social changes – the mankind develops; its qualitative characteristics, therefore, the potential (health, morality, education, professionalism, creativity, social and political activity, organization) change.

In the late eighties of the 20th century by the group of experts of the UN developed *the concept of human development*. This concept began to consider the person as actually the purpose and criterion of social (social) progress, and human development contacted expansion of a range and opportunities of the intellectual, social, economic and political choice for each person to realize the potential and aspirations to live long and healthy, full-fledged creative life, with acquisition and enhancement of knowledge, with access to resources, necessary for the worthy standard of living. At the same time human development is impossible without observance of the key rights and guarantees which are highly appreciated around the world – the right to health protection, education, existence access to funds, the right for free movement, the choice of the residence. The concept of human development recognizes that the state has to provide to the citizens equal opportunities in education, health care, in guarantees of personal security, in respect for the political and civil rights; to bear responsibility for creation of conditions which promote growth and effective functioning of a social economic system. However in practice the economic policy of the state focused on growth and efficiency not always considers requirements of that part of society which needs support, and is not capable to solve the problems facing it independently. The economy which provides rapid growth and technological progress, but at the same time pays not enough attention to social problems of society, aggravates property inequality and stimulates with that tension in society. Such economy perceives the person and human resources not as the supreme value, and only as a factor of the solution of economic problems. But there is also other aspect of this problem. The more means it is spent by the state for the solution of social problems, the less opportunities remain for the economic growth, technological modernization, increase in income. As a result monetary resources (investments) which society can allocate for human development are reduced.

The main problem in permission of a contradiction between economic and social development (between maximizing profit and human development) is the problem of use by the country of the national income for the benefit of people or only for economic growth. If income gained in the country is invested in development and social changes of life of the population, then economic indicators in the future considerably will surpass the modern level. Thereby, permission of a contradiction is on the one hand process of formation

of human abilities (intellectual, creative), strengthenings of health of the nation, acquisition by people of the general and professional knowledge, and on the other hand is how people use acquired by them abilities and knowledge for the productive purposes in process of work or for rest, cultural, political, public work.

The concept of human development offers four ways of achievement of balance between economic and human (social) development:

1) to increase investments into health care and vocational training;

2) to try to obtain more equitable distribution of income and the capital;

3) to reach balance of social expenses, strengthening an economic basis of the social sphere;

4) to expand possibilities of citizens in implementation of the choice in political, social and economic spheres.

Proceeding from it the conceptual scheme of human development of the country has to be built on the following *principles*:

a) investment into development of human resources and creation of such microeconomic environment which will allow the person to realize the potential in the maximum measure, to increase efficiency of work, to provide economic growth;

b) providing equal opportunities to citizens, elimination of the central, racial and national barriers interfering finding and realization of opportunities and economic and political life;

c) creation of a steady system of reproduction human (the main richness of society) and other resources to provide access to equal opportunities not only present, but also future generations;

d) assistance of independence of people when choosing individual development.

Thus, the concept of human development reflects the purposes, the principles and priorities in the sphere of management of human resources of society. In many developed market countries on the basis of this concept the state social policy and its main component – personnel policy which is the sphere of the management of human resources (MHR) is developed. Being implemented in social and personnel policy of the state, management of human resources as the system has the specific purposes, tasks, the principles, functions, objects, subjects, methods of management and sources of financing.

The purpose of a control system of human resources on macro - meso - and microlevels is:

- complex studying of human resources – the main productive force of society;
- knowledge of regularities of reproduction of human resources at different stages of activity of the person in interrelation with social and personnel policy of the state.

Need of complex studying of human resources of society and active participation in this process of the state is caused by a variety of reasons:

- a demographic situation in the country (depopulation);
- migration processes (growth of scales of labor migration);
- the market transformations demanding new (on thinking) workers, new knowledge and motivation of development of humanity;
- reform in the sphere of public administration and transformations in the sphere of public self-government;
- perception of human and intellectual resources as criterion (source) of economic growth;
- need of the high-quality shifts for economy connected with innovative human activity;
- transformation of forms and methods of the organization of economic activity (subjects of economic activity);
- revival of the industrial sphere and concentration in it financial, material, scientific and technical and human resources;
- improvement of production, information and administrative technologies; global revaluation of individual and universal values for overcoming a contradiction between the interests of the person and the organization.

Reproduction of human resources as social process is subdivided into phases (stages) of formation, distribution (redistribution) and use of human resources. The phase of formation of human resources is represented by such continuous social processes as:

- 1) emergence of new human resources on the basis of reproduction of new people (births) and achievement of working-age by them;
- 2) restoration of ability to work by means of food, the dwelling, clothes, infrastructure (culture, art, means of communication, transport);
- 3) receiving by people education, specialty and labor qualification.

The phase of distribution of human resources consists in initial distribution of resources of work by types of works, a sort of professional activity, the enterprises, regions. This phase of reproduction is provided by labor market performance and self-employment of able-bodied population. Redistribution of human resources is carried out in form of motion (mobility) of labor on regional and national labor markets. The phase of use of human resources consists also functioning of labor at the enterprises, in the industries, regions, economy in general. Its main task – ensuring effective employment of economically active population.

Creation of a steady system of reproduction of human resources is on the one hand one of the principles of human development of society in the conceptual scheme UChR, and with another – way of achievement of balance ~~between~~ economic and social development.

Objects of management of human resources on macro - and microlevels is:

- the person at different stages of activity;
- people as social community;
- human resources of the country;
- public and municipal servants, shots of the office of bodies of authority and management
- a personnel of the industries mixed and the state enterprises;
- services on management of human resources at the enterprises;
- personnel relations and personnel processes.

To subjects of management of human resources on macro - meso - and microlevels belong:

- the system of the state institutes, including regional (bodies of legislative and executive power, the system of judicial authority);
- bodies of local (municipal) government;
- heads of the managing structures (the enterprises, the organizations);
- the people, society, the person (through delegation of powers to the state and its institutes, political parties and movements in management of social and personnel processes).

Both social, and personnel components in a control system of human resources are considered as:

- relations between various social groups of society, organization;

- activities of public servants for realization of needs of various social groups through achievement of the planned social states and indicators;
- personnel regulation of the social and economic and managing systems, definition of their mission (UChR philosophy), regulation of powers and functions of activity on the basis of the analysis of a social and economic situation in the country, national labor market, demographic and migration situations;
- preparation of decrees, resolutions, laws, tariff agreements, administrative documents, instructions.

Sources of financing of the UChR system (its social and personnel components) are the state budget, budgets of territorial subjects of the Russian Federation, municipal budgets, income from activity of economic entities, receipts from Commercial activity

The modern theory and practice carry the following *to methods of management of human resources*.

1. *Methods of scientific management* – with allocation of administrative and performing functions; a special role of human resources in rationalization of labor process; with scientific selection, arrangement and training.

2. *Administrative management* – administrative activity is carried out according to below the listed principles: division of labor, unity of a stewardship (only one chief can give to the employee orders); unity of the management, discipline, hierarchy, extent of centralization of the power and responsibility, submission of private interests to common cause, justice, development of an initiative, a unification of workers, solidarity in the organization; remuneration of workers, constancy of structure of shots. Except the called principles administrative management includes bases of functional management, such as anticipation (planning), organization, order, coordination, control, and special rules of management of workers in the form of official requirements to heads.

3. *Bureaucracy* (a method of management of human resources of public services of all levels) is based on the following principles:

- accurate fixing of formal functions of the employee;
- hierarchy of official relationship, rights and responsibility;
- uniformity and objectivity in implementation of administrative procedures;
- strict observance of uniform regulations and formal rules of administrative activity;

- strict selection of candidates for replacement of official vacancies according to professional and moral requirements;
- employment, periodic certification of shots (government employees) for assessment of their competence and their promotion to higher positions;
- providing with salary and the status depending on category, qualification and an experience of workers;
- documentary execution of the solution of a question within official competence;
- formal impersonality of execution of functions without personal and emotional factors for increase in productivity and maintenance of justice of human relations in and out of the organization; conflict prevention.

Superiority of methods of bureaucracy is reached by the accuracy, speed, clearness, documentary registration, long constancy, commonality, severity of the relations of submission, economy of costs of human and material resources.

However bureaucratic methods of management have also negative lines: turn means into end in itself, exaggerate the importance of rules; do not allow other persons to the duties, seeking to keep full confidentiality (privacy) of the tasks and, thereby, receiving the superiority on expert knowledge; seek to work faultlessly (without mistakes) that leads to a situation when only such problems which can be executed faultlessly are solved (for other tasks there are problems according to their decision – or these problems are inflated, or do not decide at all); reinsurance becomes standard of behavior.

4. *The methods of management of human resources based on the theory of the human relations* connect labor productivity working with attention and interest in it of the manager, with intra personal motivation of the worker; with replacement of individual stimulation on group, with psychological methods, the work providing increase in satisfaction, improvement of the social atmosphere in the organizations, smoothing of the conflicts between workers and administration.

Methods of system management of human resources it is based on synthesis of modern requirements to management of human resources: complexity, orientation to the maximum use and smoothly running functioning of control systems of human resources and situational factors of management – external (influence of the

state, Labor unions, market conditions) and internal (the concept of management, views and expectations of workers, technology of management).

The system management of human resources considering external and internal situational factors includes the following *functions*:

1) analysis of social and labor problems, assessment of potential opportunities of workers; selection, hiring of personnel and creation of capable collectives;

2) direct leadership in social and labor processes (assessment of results of work, material encouragement, advance and movement of personnel, planning of career, professional development possibility);

3) improvement of the organization and management of social and labor processes, development of alternative options of performance of work with the corresponding remuneration;

4) forecasting of changes in the social sphere, in the field of work, implementation of programs for retraining of personnel, implementation of high-quality changes in a control system of the social and labor sphere.

To situational (external and internal) to factors of management of human resources the system (complex) method carries:

- use of economic criteria when approaching to each person on production and in management;
- expansion of opportunities of workers to affect results of economic production activity by means of growth of their individual powers;
 - increase in level of responsibility;
 - awareness of limitation of sources of receiving high-quality human resources (qualified specialists, managers, workers);
 - the competition for possession of such human resources that transfers them from category of a "gratuitous" resource to subject to long-term investments; the continuous growth of requirements to human resources causing increase in investments at training, vocational training, systematic professional development and retraining.

1. *Methods of socially responsible and sotsialjno-motivational management of human resources in the sphere of business.* The last should not be limited to economic targets, it is obliged to consider human and social aspects of impact of the activity on workers,

consumers and local community, to promote achievement of the social purposes of society in general. Businessmen bear social responsibility to own workers and to society, are called to try to obtain dynamic balance between the economic and social interests and tasks of the modern organization.

2. *Methods of innovative management of human resources* promote identification in behavior of the identity of the creative beginnings and to the direction them to the necessary course (for the organization). Creative people are required for many organizations, and they have such people who are capable to see problems and to solve them, have identity (originality), flexibility of thinking, a set of the ideas, take the risk, see a common advantage for the organization behind private decisions, ability to get data and to support communications with others.

3. *Economic methods of management of human resources* include norms, standards, quotas, payments, taxes, MYuT, the budget of a living wage, form and methods of compensation, the price, penalties, the credits, profit, profitability.

The UChR conciliatory methods are the system of the relations and contracts between employers and hired workers; the system of social partnership of the state, employers of labor unions at permission of labor disputes and the conflict.

2.4. The mechanism of management of work at the enterprise

At the end of the 20th century the world economy entered a post-industrial stage of development. This radical transformation was caused by significant increase in value of innovations, new knowledge and information. Intellectualization of the economic environment, innovative business, mastering information flows act as a basis of existence of highly effective and competitive market economy.

As a result of this process the services sector share sharply increased in the world economy for the last decades. Already today services sector in the most developed countries makes up to 80% of GDP, and in Russia – 57% of GDP. Expansion of the services sector interfaced to the sphere of the spiritual and intellectual benefits, in turn, stimulates development of the information equipment and technology, means of communication which more and more unite people and do not demand big material expenses. Information and

knowledge as its ordered form, are made, used and realized as any other product therefore uniform world is formed it is information a communicative system.

Therefore the modern system of economy represents innovative reproduction which basis new scientific knowledge, the advanced information technologies, services and products are.

Transition to post-industrial society inevitably concerns all parties of work. Development of electronics and information technologies radically changed the content of work in a number of productions, having turned it from tightly regulated into creative and informative. Flexible technologies exempted the person from a number of routine tasks. In a number of spheres of production there is a transition from the work directed to an object to the work directed to a system and including essential economic and administrative to a component. Modern work in the increasing degree consists in cooperation and training, in use of collective knowledge for production of new information, materializiruyushcheyasya in cars, processes and products. To replace the regulated, routine work the skilled work based on use of creative potential of workers comes, the special role is got by a cult of knowledge and promotion of innovative behavior of personnel.

Automation and robotics in the system of flexible innovative production inevitably leads to transformation of jobs. The structure and the importance of professions change, combining jobs and additional employment, work on the terms of part-time and flexible working hours extend.

It is known that during domination of technocratic type of the management of work characteristic of an industrial stage of economic development, management actually did not consider expansion the creative initiative of workers as the direct task. Occupied at the enterprise were considered mainly only as force putting machines and the equipment in action.

Work of most of workers and employees was highly specialized and did not demand fundamental preparation. Communications between workers entirely were defined by technological process and were rigidly regulated by the management. They were directed to maintenance of stability of production and prevention of undesirable deviations.

It is necessary to tell that in the conditions of the invariance of technological processes and predictability of a condition of the

external environment such system had many advantages. First of all it is necessary to refer stability, accurate functioning of communications, a possibility of a strict regulation of actions of employees, etc. to their number.

However in the modern conditions which are characterized by strengthening of the competition and need of introduction of innovations, technocratic management inevitably focuses the enterprise on short-term objectives and outdated experience that leads to untimely reaction to emergence of new problems, insufficient use of knowledge and competences of workers, resistance to innovations.

For post-industrial economy norm is essentially other – innovative – approach to the person as to a factor of progress of modern production. It is that process of formation and reorganization of the enterprise submits to the principle "from people to the organization, to its structures and mechanisms". It contradicts the technocratic approach demanding from the person of adaptation to organizational innovations. New approach finds the embodiment in strengthening of attention of management to activation of a human factor, in use of both the physical, and psychological potential of workers, not only performing, but also creative abilities.

Contrary to popular belief creative activity cannot be reduced to some type of occupations, group of professions or official level. The main sign of creative activity is existence of qualitative novelty in the types of activity which are carried out by the worker irrespective of their concrete results, whether it be a product, technology, service, administrative reorganization, scientific or cultural achievement. Eventually creative activity is the cornerstone of innovations of any sort.

In the theory of management high-quality change (an innovation, an innovation) can be connected both with development of "high" technologies, and with implementation of organizational and technical changes in trade, services, finance. Development of new types of business activity, change of the external environment and transformation of market infrastructure – all this is a push to implementation of a number of innovations. At the same time the carried-out calculations show that the economic effect of similar innovations is often much higher than a contribution of a number of "high" technologies.

In practice it is difficult to draw a clear chronological boundary between the period of technocratic management of work and an era of prevalence of the innovative principles of management. It is

connected with the fact that during historically long period of time even at the most steadily working Enterprises periodic denial of the principles of technocratic management of work peculiar to traditional production took place. Introduction of the new equipment and technologies, improvement of quality of labor, competition strengthening, a work nationalization trend were the reasons of it.

Nevertheless we can claim that the final natupleniye of a new stage of management of work occurred only for the last decades. The decrease in rates of economic growth and labor productivity aggravated with energy crises of 1973 and 1979 – 1980 in the leading countries of the West gave an impulse to deep reevaluation of driving forces and conditions of economic growth. Transfer of accents from external material parameters for the person on internal, connected with creative activity was outlined in economic activity. The dynamism of economic activity, a new impulse to which gave transition of a number of the countries of the world to market economy in the late eighties – *the 1990th* amplified.

Thus, the logic of world social and economic development raised on the agenda a question of deep reorganization of management on the basis of qualitatively new innovative principles. Theoretically most fully these new organizational principles were presented in T. Peters and R. Watermen, P. Druker and also J. Neysbit and P. Abardin's works during this period.

The organizational philosophy which is put forward by these authors can be expressed laconically: "In new post-industrial society the financial capital will be forced out human as a strategic resource. People and profit are inevitably connected".

Thus, to replace the technocratic management of work characteristic of an industrial stage of economic growth, the management based on qualitatively new innovative principles comes. Let's show differences between them.

So, in the 1980th there is a change of an administrative paradigm: from technocratic, demanding adaptation of the person to organizational innovations, management passes to an innovative paradigm which professes the principle: from people to the organization, its structures and mechanisms. People and their talents become the most valuable resources of the organization. Management of human resources becomes its strategic task, and human development turns into article of investments, but not expenses, as in the traditional technocratic organizations.

The innovation (innovation) represents the purposeful change which is consciously brought in process of development, production and sales of products (services) from the best satisfaction aimed or formations of new public requirement. In practice *the innovation* is understood as profitable (profitable) use of innovations in the form of new technologies, types of products (services), organizational and technical and social and economic solutions of production, financial, commercial, administrative character and also other results of intellectual activity the System analysis of essence of innovative activity at the enterprise the first J. Schumpeter made. He allocated the main directions of innovations, proved the importance of a role of businessmen in their implementation, analysed motives of innovative activity. Seeing not a consequence of crisis, but a necessary component of development of economy in changes, he used the concept of innovations covering production new or improvement of already known products and services, development of new sales markets, search of other sources of raw materials, carrying out organizational and administrative transformations.

Now it is accepted to allocate the following types of innovations: grocery (new goods or services of consumer or production appointment); technological (*new technologies*); social (new social structures and mechanisms) and the complex, combining called types of innovations. In fact all a little essential innovations inevitably have complex character.

Innovative approach to management assumes a combination of long-term economic reference points of the organization and mobile use of potential of workers. Increase in a role of innovations in realization of strategic installations of the large companies focused on continuous updating of products and improvement of its quality causes the necessity of the differentiated approach to key administrative and scientific and technical workers. It demands account along with their professional qualities as well concrete participation in innovative process (initiation of the new ideas, accumulation of technical and commercial information, formation of conditions for realization of innovations, etc.).

The modern economy is characterized by continuous process of innovations. To survive, the enterprise has to introduce innovations constantly. This process accelerates during crisis. But any a little essential innovation has dual character.

The creative party of an innovation from an economic point of a debate means new, more effective and perspective combination of

factors of production. Though the economic aspect of innovations has primary value, we should not lose sight of their social party.

The innovation for her initiators is an answer to the call demanding mobilization of all forces for the sake of implementation of new technology, production of new goods (service), development of new forms of the organization of production and distribution, gaining new sales markets, satisfaction of the growing inquiries of clients, improvement of a ratio "quality – the price". This Constant call is a consequence internal and external (in relation to the enterprise) contradictions for which overcoming the corresponding human qualities and even the creative genius are necessary.

Other effect of an innovation consists that it releases resources which can be used in other place. It is required less working hours for production of a product or service of the same look. From now on to make the same quantity of the benefits and services, it is possible to work less (or at the same period of operation to receive more benefits and services).

The destructive party of an innovation from an economic point consists first of all in ruin of the enterprises which did not introduce an innovation, disappearance of a number of goods and services of elimination of hopelessly outdated equipment. But the social aspect of innovations is especially important here.

Therefore implementation of innovations always demands carrying out thoughtful analytical work with the purpose of minimization of damage from action of their destructive party.

All this, certainly, demands essentially a different approach to management of work. It is about formation of a system of the innovative management of work (IMW) which has the object and an object of research. An object of IUT are human resources of the organization, and a subject – development of creative potential and innovative behavior of workers.

It should be noted that IUT on the one hand is most characteristic of the innovative organizations operating in the knowledge-intensive industries of production, but with another – any modern organization which wants to compete successfully in the market environment, has to realize the innovative principles and methods of management.

It is also obvious that IUT, first, has to be built in strategic management of the organization, secondly, has to be appropriately organized and represent a certain system.

The control system of work at the enterprise includes the following basic elements:

- organization and rationing of work as basis of creation of labor processes;
- definition of needs for personnel taking into account market and intra production factors which cornerstone the regulation of working hours is;
- assessment of expenses and results of work through indicators of labor input and labor productivity;
- formation of funds for keeping of personnel and calculation of the average salary of hired personnel.

Formation of a complex control system of work as the most important component of the general system of innovative business management provides balance of the end result of activity of the company: on the one hand increases efficiency of its functioning, competition and profitability, with another – develops the creative potential of workers.

However the world practice demonstrates that any enterprise in the course of the activity experiences crisis state which demands use of specific mechanisms of management, including management of work.

The crisis situation puts a number of problems before the enterprise.

First, naturalization of production does problematic maintaining high technologies and production of the complex products demanding the developed specialization and cooperation. Naturally, the provision of the corresponding part of workers worsens.

Secondly, decrease in level of specialization under other conditions limits possibilities of equal foreign economic activity of the Russian enterprises, promoting additional overestimate of expenses in comparison with the foreign highly specialized enterprises.

Thus, naturalization as one of important elements of anti-recessionary behavior of the enterprises on the one hand creates conditions for survival of a certain part of productions, and with another – significantly constrains hi-tech and export-oriented activity.

Permission of a contradiction in practice promotes strengthening of a trend of simplification of production and decrease in export of products with high extent of processing that has extremely negative consequences for the labor capacity of the Enterprise.

Borders of use of cars in this case are sharply limited as acquisition of the new equipment is more expensive than manual work.

Situation is complicated also by considerable scales of the hidden unemployment. For this reason authorities at all levels are forced to be reconciled with economically inefficient approach of the enterprises to preservation of number occupied, considerably connected with sharp increase in the hidden unemployment.

This regularity predetermines negative consequences of activity of the enterprises:

- at increase in a share of manual work the complexity of products as it is manually difficult to provide the accuracy of necessary parameters, etc. respectively has to decrease;
- at increase in a share of manual work process of implementation of the western technologies which are focused on other structure of expenses is impossible and have labor-saving character.

Features of anti-recessionary behavior of the enterprises in terms of control of profitability level have a considerable impact on work. In the conditions of crisis the solvent demand limiting from above price level falls against the background of growth of costs of production. The enterprises respond to reduction of demand not with reduction of prices, but production cutback. The essence of financial crisis of the enterprises consists in the following: the ratio of the prices on "entrance" and "exit" does not provide expanded (and in most cases and simple) reproduction. As a result of the enterprise become either unprofitable, or remunerative. It is characteristic also of foreign economic activity of the enterprises. In present Russian conditions the share of the consumers capable to pay the put products with money, on j domestic market is small, and the considerable part of products is sold on clearings and barter. Therefore the enterprises cannot refuse export, even despite its unprofitability as *from* "live" export money the loans are repaid, taxes and the salary are paid.

The situation at which it is impossible to reach financial stability becomes essentially new to the majority.

Questions for self-examination

1. What is public organization of work?
2. What Basic elements forming a concept of public organization of work?
3. Call and characterize the main types of public organization of work.
4. What is understood as division of labor? Call the main forms of division of labor.
5. What main types of public division of labor?
6. Give definition of the concept "labour".
7. Call the main phases of reproduction of labor, disclose their content.
8. Call and characterize types of reproduction of labor.
9. In what essence of management of work?
10. Call the main types, forms and methods of management of work in society.

Section III. Labor market.

Human resources, employment and unemployment

3.1. Concept of labor market.

Mechanism of labor market performance

Labor market, as well as the markets of the capitals, goods, securities, etc., is a component of market economy. In it businessmen and workers in common conduct negotiations, collective or individual, concerning employment, working conditions and the salary.

Labor market represents the system of the public relations reflecting the level of development and the balance of interests reached for this period between forces which are present at the market: businessmen, workers and state.

Organizational form of expression of such interests in labor market are associations of businessmen, on the one hand, and labor unions - with another. The state acts as the employer at the state enterprises and the investor, financing large projects and programs of development.

However its main function consists in definition of regulations of interests of partners and the resisting forces. As a result that is defined equally effective which forms base of decisions and a basis of the mechanism of regulation of labor market where both the system of social protection, and the system of stimulation of development of productive forces joins.

Proceeding from the labor market definition given above, we will establish components or elements of labor market. Them will be:

1. Parties of the market relations or subjects of the market: employers or their representatives and people who are looking for work.

2. The legal acts regulating the relations of subjects of labor market.

3. Market condition - a ratio of supply and demand of work, defining salary rates on concrete types of work and employment rate of the population.

4. Employment services of the population (centers, exchanges, bureau, etc.).

5. Labor market infrastructure: services of career guidance, preparation and retraining of workers, funds of employment, advertising companies, etc.

6. The system of social payments and guarantees for released from production, transferred to the new place of work, the unemployed.

7. Alternative temporary forms of employment: public works, home work, seasonal works, etc.

Existence and interaction of all elements of labor market is necessary for its normal functioning which is understood as situation when all conditions for performance of functions of labor market are created. Treat them:

1. Organization of a meeting of sellers and buyers of work.

2. Providing the competitive environment in each of the parties of market interaction.

3. Establishment of equilibrium rates of the salary.

4. Help in the solution of questions of employment of the population.

5. Implementation of social support of the unemployed.

As it was already noted, in labor market sell work. The worker appears the producer of work. But not any person is able-bodied. In labor market there are several groups of able-bodied people:

1. Those who have no work, but want to work and look for work (there can be unemployed having the corresponding status; the persons for the first time entering work; the persons who are looking for occupation after a break in work).

2. Those who though have work, but are not satisfied with it and looks for other place of the main or additional work.

3. Occupied, but obviously risking to lose work and therefore the works which are looking for other place.

The specified categories of people define the offer of work in labor market.

Basis of labor capacity of the country is its economically active population consisting of busy and jobless.

Labor market mediates not all processes of distribution and redistribution of labor. Through it only that labor which acts as goods, that is hired labor moves. A part finds it jobs, becomes the busy population and abandons the market, moving to the sphere of production (the sphere of work). Other part of sellers of labor remains in labor market, waiting for the employer.

As for those carriers of labor which are at the same time owners of jobs (employers, self-employed, members of cooperatives and other collective owners), in these cases for connection of factors of production purchase and sale of labor is not necessary. This connection is carried out directly and process of distribution of labor passing labor market.

Reforming of economy on the market beginnings promoted that hired labor was the main form of employment. Through the market 86.9% of labor find a job. 13.1% occupied, being individual and joint owners of means of production are not employed. The most numerous group of them - members of cooperatives and other collective enterprises and organizations (about 7 million people).

The market of jobs as a labor market component, characterizing need for work or demand for it, consists of number of vacancies both on acting, and at again put into operation enterprises and the organizations and quantities of the jobs taken by the workers who are not satisfying the employer and therefore looking for them replacement.

Depending on a ratio between supply and demand of work the market condition of work can be three types:

1. Trudodefitsitna, when labor market lacks for the offer of work.
2. Excess working when in labor market there is big chislobezrabortny and, respectively, a surplus of work.
3. Equilibrium when demand for work corresponds to its offer.

Each of types of market conditions can belongs to this or that region or a sphere of application of work, forming in total the common market of work in the country.

Labor market - the phenomenon diverse, the having various aspects.

Distinguish models or types of labor markets, its types and versions and also segments. It is important to understand what is meant it. There are general characteristics of labor markets for any market conditions, but each regional or national labor market has also the features.

Distinguish from types external, or professional, labor market and internal - the intra-corporate market. Are distinguished the open and hidden labor market from versions. Each of the markets are subdivided into the parts called by segments.

External - professional labor market characterizes the relations between sellers and buyers of work on a national scale, the region,

the industry. He assumes initial distribution of workers on spheres of application of work and their movement between the enterprises. For this purpose it is necessary that at offering services of work there was an existence of professions and specialties which many enterprises need. Foreign market of work substantially is implemented through turnover of staff, that is assumes a possibility of free transition from one place of work on another.

Domestic market of work is formed in connection with movement of workers from one position on another limits of one enterprise. This movement can happen across - transfer to other workplace and down - transition to increase to positions or qualification growth.

Domestic market is focused on the workers specialized for work in the conditions of the concrete enterprise taking into account its features. The enterprise if there are no concrete reasons against it, is interested in preservation of the people knowing specifics of its production. Therefore development of domestic market works for decrease in turnover of staff.

Open labor market covers all able-bodied population presented at labor market. This contingent, in turn, shares on:

1. Organized, or official, a part of the open market which becomes isolated on public service of employment of the population and includes also graduates of official or public service of professional education.

2. An informal part - those citizens who are engaged in the employment by direct contacts with the enterprises or non-state structures of employment and professional education.

The hidden labor market develops of the workers occupied at the enterprises and in the organizations, but having high probability to lose employment and to appear without work. The workers who are formally registered at the enterprises, but not working and not receiving the salary also can be carried to this a kind of labor market. Such situation is observed in the Russian economy on a large scale today. It is caused by elimination of a former system of the economic relations and production interrelations, loss of traditional suppliers or consumers and insufficiency of ongoing efforts on reorientation of production, its conversion, to a conclusion of the enterprises from crisis state.

Labor market represents a complex system of the relations which is subdivided into parts - subsystems in the form of the concrete target markets called by segments.

Segmentation of labor market is a process of division of employers and sellers of work into groups on the signs uniting them. Segmentary labor market is the market with accurately designated parts - segments on which certain categories of the workers competing among themselves focus. Such segments are formed, for example, in the markets of female labor, work of disabled people, elderly workers, etc.

Market segmentation of work is of great importance for: analysis of the market; studying of its structure and capacity; identifications of the contingent forming the offer of work and demand for it; determination of prospects of labor market. Similar studying is the content of marketing of labor market.

Segmentation is made on different categories and depending on various signs. Can be them: geographical location, demographic characteristics, socio-economic indexes, psychographic indicators, behavioural characteristics.

Allocation of segments in which a little competitive groups of persons are concentrated, needing work is of particular importance: the youth entering working-age; elderly workers; disabled people of the 3rd group; women with children, that is all those who especially need social support from the state.

Thus, labor market, submitting in general to laws of supply and demand, by many principles of the functioning represents the specific market having a number of essential differences from other commodity markets. Here regulators are factors not only macro - and microeconomic, but also social and social and psychological, by no means not always concerning the labor price - the salary.

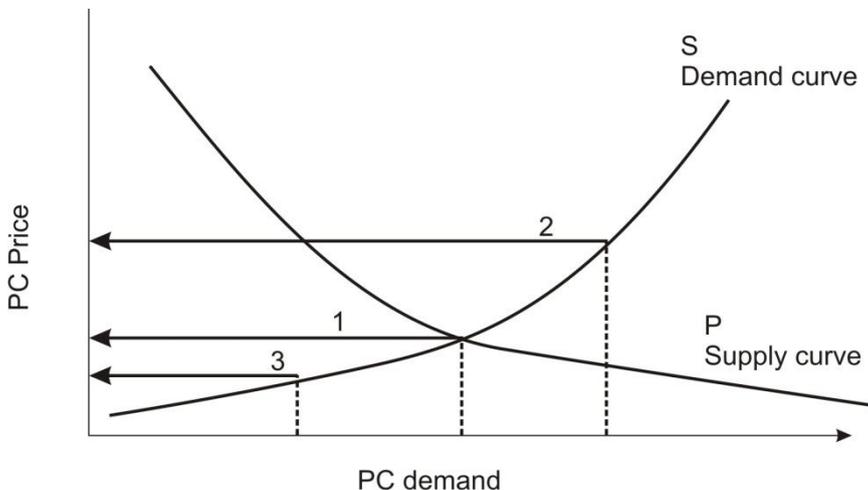
The most important component of labor market is the mechanism of its functioning.

The mechanism of labor market is interaction and coordination of various interests of employers and working ability of the population wishing to be employed on the basis of information obtained in the form of the changes in price of work (the functioning labor). It has the structure. It includes the following elements: demand of a pas work, offer of work, work price, competition.

The main components of the market of agricultural work are: cost and price of labor; supply and demand on labor; competition between employers, workers, employers and workers.

The interrelation of the main components of labor market, namely dependence of cost of labor (PC) on demand for it and its

offers is of theoretical and practical interest. Here various options (fig. 1) are possible.



The first case - labor demand corresponds to offer (1). At the same time the labor price determined by the salary will be equal to its cost.

The second case - labor demand exceeds offer (2). Employers, competing in the market among themselves, can establish the labor price much above its cost.

The third case - the offer on labor exceeds demand for it (3). In such situation workers compete among themselves for receiving a workplace. Here tendencies to reduction of price of labor are possible. Conditions for establishment of the salary of low price of labor are created. For elimination of such situation by the state the minimum wage and level of a living wage are officially approved.

There are some features of labor market performance. They are connected with the nature of reproduction and features of goods "labor".

1) Inseparability of the property right to goods - work from its owner. In labor market the buyer (employer) acquires only the right of use and partially the order abilities to work – a working layer during certain time.

2) Upon purchase of goods "work" interaction of the seller (the hired worker) and the buyer (employer) lasts much longer, than upon purchase, we will tell food products.

3) Existence of a large number of special type of institutional structures (the branched system of the legislation, the employment services, etc.) also generates an originality of the relations between subjects of labor market.

4) Various vocational level of labor, a variety of technologies, etc. causes the necessity of high individualization of transactions upon purchase of goods "work".

5) Existence of an originality in exchange of labor in comparison with exchange of real goods. From the fifth feature two investigations follow:

- labor market connects among themselves various markets;
- real compensation is carried out according to the end results, according to the price of the sold products created by this work.

6) For the worker not monetary aspects of the transaction play an important role, namely:

- contents and working conditions;
- guarantees of preservation of a workplace;
- prospect of promotion and prospect of professional growth;
- a microclimate in collective, etc.

3.2. Human resources: concept, structure, formation

Human resources are an able-bodied part of the population which, having physical and intellectual capacities, is capable to make material benefits or to render services.

From this definition follows, that human resources include, on the one hand, the people occupied with economic activity, and with another, - not occupied, but which can work. Thus, human resources consist of real and potential workers.

Necessary physical and mental abilities depend on age: during the early period of human life and during a maturity time they are formed and increased, and by an old age are lost. The age acts as some kind of criterion allowing to distinguish actually human resources from all population. Are a part of human resources the population at working-age (from 16 to 55-60 years), teenagers (14-18 years) and a part of the population are more senior than working-age - pensioners.

Before considering various directions of studying of human resources, it is expedient to address structure and structure of the population, change of number.

Reproduction of the population is understood as process of continuous renewal of generation of people as a result of interaction of birth rate and mortality. Reproduction of the population has not only demographic, but also economic and social aspects. It defines formation of human resources, development of territories, a condition of productive forces, development of social infrastructure, etc.

Age brackets and social and economic structure of human resources are defined by the state acts. In Russia the working-age is considered: men have 16-59 years inclusive, women have 16-54 years. Limits of working-age in the different countries are not identical. In some countries the lower bound is established in 14-15 years (in separate - 18 years), and top - in many 65 years for all or 65 years for men and 60-62 years for women.

In Russia the legislature repeatedly considered a question of need of increase in an age threshold for award of pension on age for men - from 60 to 65 years, for women - from 55 to 60 years. Such process happens gradually, step by step - in the beginning up to 62-63 years for men and up to 57-58 years for women. There are supporters and opponents of this decision. One of arguments of those who oppose increase in retirement age is the reference to a difficult economic situation of the working population in general.

Since 1993 in the Russian Federation transition to the international system of classification of the population according to which the scheme of structure of human resources looks as follows (fig. 2) is carried out.

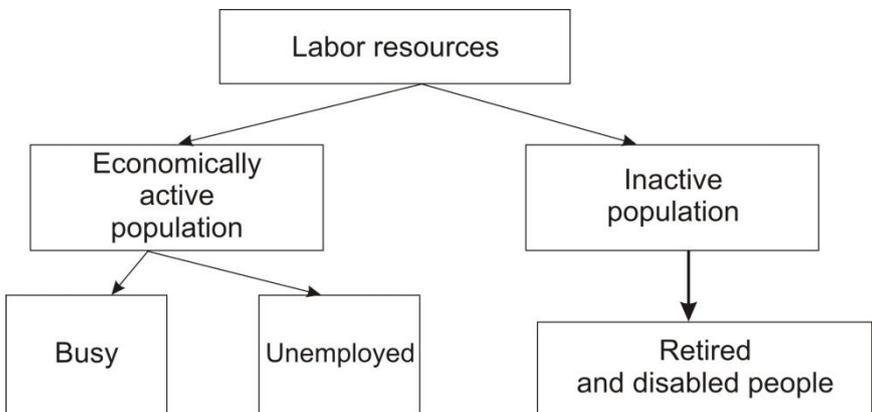


Fig. 2. Human resources and economically active population

Economically active population is the part of the population providing the proposal of labor for production of goods and services. This category includes busy and jobless and is measured in relation to the surveyed period.

Economically inactive population is the population which is not a part of labor, including persons of the younger age established for measurement of number of economically active population.

The structure of human resources is many-sided and includes various components and characteristics of human resources. In particular, the structure of human resources on a floor is important for formation of effective structure of employment on work spheres of application in professional and branch and territorial cuts and decides by identification of ratios of the men and women occupied in social production, home and personal economy on study on a separation from production, etc. The structure of human resources on a floor differs on the territory of the country and spheres of employment.

Employment is a security with jobs and the participation in work determined by features of a way of production. As the economic category employment expresses the public relations connected with providing the population with jobs and necessary subsistence. In the social plan employment is a granting an opportunity to work in public or private sectors of production to everyone and capable to work.

On employment of the population, especially rural, the set of factors influences, it is possible to carry to the main of them: territorial (geographical), economic, social, demographic, legal, national (ethnic) and ecological.

The busy population - the population involved in production and non-productive fields of activity. According to Article 2 of the Act of the Russian Federation on employment carry to the busy population:

- working under the employment contract and also having other paid work, including temporary, seasonal jobs;
- independently providing themselves with work, including individual work (farmers), businessmen and also members of production cooperatives;
 - the elite approved or appointed to the paid position;
 - the military personnel of any types of military forces serving in law-enforcement bodies;
- able-bodied pupils of any internal educational institutions, including training in the direction of the employment service;

- temporarily being absent from work (a holiday, a disease, retraining);

- the performing works on civil contracts (turnkey contracts).

It is important to define the status of employment for economically active population, including the unemployed. Usually distinguish five statuses.

1. Hired workers are the persons working under the signed written contract (contract) or under the oral agreement with the management of the enterprise on conditions of work for which they receive the payment stipulated when hiring.

2. Working at an individual basis - the persons which are independently carrying out the activity bringing them income, who are not using or using hired workers only for short term.

3. Employers are the persons operating own (or authorized by the state to govern) joint-stock company association, etc. The employer can delegate in whole or in part the functions to the hired managing director, reserving responsibility for wellbeing of the enterprise.

4. Unpaid employees of family business are the persons working without payment at family business which owners is their relative.

5. The persons which are not giving in to classification by the status of employment. These are the unemployed who are not engaged earlier in work bringing them income. Here also persons who are difficult to referring to this or that status of employment belong.

The practical need for accounting of the population causes the necessity of allocation of types of employment. Distinguish several categories of employment: full, incomplete, productive, rational, effective, not formal.

At full employment all persons in need are provided with paid work. Such situation reflects balance between supply and demand of labor.

At part-time employment not all persons in need and persons interested to work are provided with jobs.

Productive employment characterizes participation of the population in social production, creation of material benefits and rendering services for the purpose of increase in level and quality of life.

Rational employment assumes the greatest possible satisfaction of needs of the population for individual and socially useful work.

Effective employment characterizes use of country people most fully and rationally during the certain period of time (change, day, a season, year) for the purpose of obtaining the maximum end result.

Thus, the full and part-time employment of the population reflects the quantitative side of the problem; productive, rational and effective - qualitative.

Informal employment characterizes hidden, or shadow, employment, i.e. informal, illegal activity. The International Labour Organization considers informal employment as set of very small economic entities making and distributing goods and services. They consist mainly of independent, independently busy workers.

Violation of balance between supply and demand in labor market always affects employment of the population.

The imbalance between supply and demand in labor market can affect employment differently. Excess of the offer over demand leads to open (obvious) unemployment, and excess of demand over the offer - to informal employment or the hidden unemployment.

Unemployment - temporary unemployment of economically active population. According to standards of the International Labour Organization belong persons who to the category of the unemployed: had no work (the profitable population); were engaged in job search, i.e. addressed to the employment service, placed advertisements in the press, etc.; were ready to get to work.

Main reasons for unemployment following:

- the structural shifts in economy which are followed by introduction of new technologies, the equipment that leads to reduction of excessive labor;
- economic downturn or a depression which force employers to reduce the need for all resources including labor;
- the policy of the Government and labor unions in the field of compensation: increase in the minimum amount of the salary increases costs of production and by that reduces labor demand;
- seasonal changes in level of production in some branches of economy;
- change in demographic structure of the population in working-age: demand for work increases and, therefore, unemployment probability increases.

Unemployment can be voluntary and forced. Voluntary unemployment arises when the worker does not accept the level of the salary or the nature of work. The forced unemployment is

connected with deficiency of labor demand. It is generally shown at serious decline in production.

The following types of unemployment are characteristic of agriculture: pendular, structural, regional, specific, cyclic.

Pendular unemployment is connected with regional, professional, functional and age movements of people (moving on the new residence; receiving new workplace, position; study, etc.). According to the contents this form of unemployment more belongs to voluntary.

Structural unemployment is connected with features of development of the branch of agriculture in regions. At the same time the surplus in labor market in some regions (sectors of economy) is followed by a lack of working hands of others.

Regional unemployment happens because of the geographical, natural, ecological, national and political factors adverse for economic activity.

Specific unemployment - the professional and qualification unemployment resulting from change of ways of production. It is possible to refer to specific unemployment also unemployment of citizens of the defined sex or age. So, in labor market the women having children of preschool age, young people and persons of advanced ages have especially complex problems.

Cyclic unemployment is shown in the conditions of change of an economic environment. It increases during the periods of crises and decreases during rises of production.

Level of the unemployed (U_b , %) is determined as the relation of number of the unemployed to the total number of workers:

$$U_b = (N_b/N_r + n_b) * 100$$

where, N_b is the number of the unemployed, persons;

N_p -the total number of the people having work, persons.

Thus, the indicator of unemployment reflects degree of dissatisfaction of demand for a remunerative work or surplus of the proposal of labor.

Measures of fight against unemployment include: preservation and modernization of jobs, creation new and elimination of inefficient jobs on the basis of business; the organization of the paid public works; creation of jobs for persons with limited opportunities. All of them in a complex allow to make active considerably labor demand in labor market.

3.3. Labor market in the enterprise

The Domestic Market of Work (DMW) in the economic theory is called intra-corporate movement of labor *within* the same enterprise at which the salary and accommodation of workers considerably *are defined* by rules and procedures. Domestic Market of Work is opposed to foreign market of work in which there is an intercompany mobility of labor, and the salary and distribution of labor are result of action of market forces.

Domestic markets of work have a number of distinctive features. First of all the following concerns them:

- relative independence of a rate of the salary of some workers of VRT depends on a ratio of supply and demand on a similar type of work in foreign market (compensation depends on length of service and official capacity of the worker at the enterprise);
- filling of vacancies happens, first of all, by advance of personnel on a career ladder (the worker, as a rule, at first gets on one of the lowest steps of VRT, and then gradually moves ahead on higher levels);
- the long-term relations between employers and workers take place;
- there is a relative independence of employees of the enterprise of the external competition, protection against fluctuations of the salary and threat of unemployment;
- there is rather small number of agents on VRT and limitation of places of application of work;
- **the insignificant alternativeness of mobility at fast horizontal and vertical movement of workers without big expenses is noted;**
- administrative methods of regulation of the relations on VRT are of great importance;
- presence of essential volume of slaboformalizovanny information inaccessible to external economic subjects at decision-making;
- domestic markets of work are usually isolated from each other.

The main reasons for formation and development of VRT is the following:

- 1) the specific vocational training based on uniqueness of the technologies applied at the enterprise and specificity of the existing jobs;

2) complexity and high costs of obtaining information on the potential productivity of the worker employed from foreign market;

3) vocational training in workplaces and training in the course of work with stimulation as training, and trainees.

Interaction of VRT with foreign market of work is limited and comes down, generally to those vacant jobs on which the enterprises employ new workers in foreign market of work. As a rule, these workers are employed on the lowest official levels to which there corresponds rather low qualification. Only if at the enterprise there are no worthy applicants for vacancies of higher level, the enterprise replaces them by means of foreign market of work.

From the point of view of the employer, the workers occupied at the enterprise and who are beyond its limits significantly differ even if they have identical skill level and other objective characteristics. It is connected with the fact that the most important features of labor behavior cannot be accurately defined until the worker does not perform at least several production targets. However according to standards of the labor law it assumes establishment of the relations of hiring. This circumstance does preferable to the employer to use labor services of already involved workers, than to seek them elsewhere. This aspiration can be fully realized if we consider demand for work in the form of man-hours.

It is known that employers often have a requirement in rather small and (that is very important) short-term increase in scales of use of human resources. It can be reached by involvement of employees of the enterprise to overtime works. At emergence of steadier need for performance of additional works temporary internal combining jobs can be issued.

The similar situation exists also by consideration of Features of the offer of work, first of all in the form of man-hours. If the employer has a requirement of performance of additional works, then busy workers periodically have an aspiration to receiving additional money. It becomes frequent this requirement so sharp, that for its satisfaction they are ready to perform additional work that means that other, as the application of man-hours of work. With other things being equal the occupied worker in most cases prefers additional labor loading at the enterprise to work on the party.

In terms of modern economic science, supply and demand needs to be considered in unity with so-called transactional costs. These costs include expenses of time and means of the employer

and the worker on satisfaction of the demand for work (implementation of the offer of work). It is necessary to notice that in case of formation of the relations of employment within the enterprise they will be minimum.

So, the labor market components connected with supply and demand of work in the form of man-hours are closely connected with the enterprise where they function.

Demand for the work expressed in workers arises in case of need to find replacement to the left employee. For its satisfaction the employer can go beyond the enterprise. However it is favorable to it to use services of own workers, replacing with them vacancies and reaching the solution of three *tasks* at once:

- the losses caused by absence of workers at important positions decrease (they are replaced not with so significant losses because of incompleteness of less significant vacancies);
- significantly possibilities of stimulation of busy workers extend;
- costs of search, attraction and selection of workers as at such approach it is required to replace not so responsible positions *fall*.

Implementation of these tasks demands formation of a system of constant employment at the enterprise. It is reached, first, by stimulation of fixing of workers, and, secondly, their consideration as primary applicants for replacement of vacant jobs of higher level. At the same time the aspiration of the worker hold some position can be considered as the offer of the work within this enterprise. Thus, demand for work in the form of workers is also considerably carried out within this enterprise.

All this promotes transformation of labor behavior occupied as to them becomes more favorable to make efforts for official advance, than for search of new places of work outside the enterprise.

Thus, and demand for the work expressed in man-hours, and demand for the work expressed in workers substantially are satisfied within the enterprise. Same treats also the offer of work.

Let's note that all busy are personally free people. Therefore any change of a market situation can lead them to the decision on change of the place of work. The management of the enterprise should spend considerable funds for involvement of workers for low-prestigious positions.

In some cases dismissal of some categories busy involves so high social costs that does favorable granting employment securities

to them. Thereby, a considerable part of labor cannot be excluded from process of production without serious costs in the current and future periods. There is a mutual aspiration of employers and busy to provide constant fixing of these workers to this enterprise. At the same time the changes happening in labor market out of the enterprise have to be neutralized so that not to allow their release.

Each domestic market of work can be described as some combination of employment securities to employees of the enterprise and mechanisms of their gradual promotion. Both employment securities, and advance mechanisms to workers have accurately expressed institutional nature consisting available a large number of formal and informal rules and restrictions.

The VRT traditional form is gradual replacements of more highly paid and attractive positions with the workers accepted on the lowermost level of hierarchy. At the same time only the lowest positions can *be held* by the persons which were not earlier within foreign market of work or who were not participating in social production at all. All others demand as a preliminary condition of more or less long employment at less attractive positions.

Estimating influence of domestic markets of work on efficiency of work and production, it should be noted some contradictory moments. On the one hand they reduce costs of the enterprise for search, selection, employ training of labor; reduce labor fluidity that results in higher and steady performance of live work and more effective use of the fixed and revolving funds; contribute to the development of a system of motivation of work, creative abilities of workers and make active their own investments in education (professional development, receiving the second profession, specialty).

On the other hand domestic market of work is inseparable from a monopoly position of its subjects. In particular, the complexity of replacement of workers even in that case when applicants for their positions from outside have much higher level of professionalism is a negative consequence of it.

Carry to the main functions of domestic market of work:

- ensuring the differentiated social protection of workers;
- special preparation and development of skills busy;
- preservation of the most valuable part of labor potential;
- maintenance of social stability of collective.

All this very important functions which realization is a subject of public interest. Therefore the state renders important, though not decisive

influence, on functioning of domestic markets of work by regulation of bases of the labor relations, implementation of programs of social protection of some groups of the population, creation of the general and special programs of employment and carrying out antidiscrimination policy.

One more feature of domestic market of work is that the enterprises for stimulation of labor efforts of workers and minimization of costs of control can pay them the salary above equilibrium (i.e. more, than it is required to provide a certain number of work in competitive foreign market). Such salary is called *effective* (optimum).

For what reasons of the enterprise are forced to stimulate labor efforts of workers, establishing above equilibrium the effective salary? First, in the course of implementation of the labor agreement one of the parties (the worker or the employer) can evade from vpyolneniye of terms of the contract of hiring. The worker can reduce labor efforts, provide services of work in smaller volume or the worst quality. Reaction of the employer in this case can be different – from strengthening of control of work of the worker (if the otlynivaniye is found) before his dismissal. In the latter case the dismissed worker can find work at the same salary in competitive equilibrium labor market at once, and for this reason of such worker is difficult to punish. The employer needs only to control constantly the worker, incurring at the same time big expenses, or he can increase salary to such worker (as the alternative decision). In this case workers, receiving the salary big, than in other firms, will begin to be afraid to lose it at dismissal. Besides, the costs connected with fluidity will be reduced; the firm will be able to select the best workers when hiring. Thus, salary increase reduces costs of control and as a result increases profit.

The reasons for which the administration of the enterprises makes decisions on establishment of the effective salary to separate categories of workers can be different – the otlynivaniye facts from work, the fluidity of the most valuable workers, adverse conditions for selection and hiring of new workers which are coming to light on the basis of the conducted sociological researches.

3.4. Employment problems and unemployment of able-bodied population

Employment as the social and economic phenomenon can be defined as the socially useful activity of citizens connected with satisfaction personal and public needs and bringing labor income (earnings).

Employment is a major characteristic of economy and welfare of the population of the country; at the same time represents economic category and a social problem. As *economic category employment* is a set of the relations in labor market concerning participation of the population in work; it expresses a measure of its inclusiveness in work, degree of satisfaction of public needs for workers and personal needs of people in the paid jobs and receiving income.

As *the social problem employment* plays the defining role in formation and development of professional opportunities of each person, in formation and disclosure of his personality. Work in the course of employment creates the main richness of society, provides its progressive development, makes a contribution to social progress of the international community. As opposed to employment – unemployment has negative effect on living standards of the person, his family; is the destabilizing factor leading to stagnation, degradation of certain regions, social shocks in society. Because unemployment is a serious socio-political problem, employment has to be in the center of attention of society and state, the social and economic policy pursued by it. In this quality *state policy of employment* acts as set of the measures indispensable on stimulation of involvement and effective use of citizens in the sphere of work for achievement of the goals of the personality and society. A basis for construction and implementation of this policy is *the concept of employment* as a frame of reference, the representations disclosing the nature of employment of the population at a certain stage of social and economic development of society. In Russia the concept of employment is studied in the conditions of formation of market economy with social orientation. Its basic provisions are stated in the Act of the Russian Federation of 19.04.1991 No. 1032-1 "About employment of the population in the Russian Federation".

Employment as socially useful activity covers a wide range of able-bodied population. *By the nature of (sphere) of activity of all busy* it is possible to break into four big groups:

- 1) occupied in economy with the paid activity;
- 2) the military personnel occupied with the activity which is not bringing direct monetary income (in process of transition to a contract form of service the military personnel will approach on the status occupied in economy);
- 3) pupils with a separation from production;
- 4) occupied with education of children and housekeeping.

On a way of involvement in work occupied in economy it is possible to divide into three subgroups:

- 1) the hired workers occupied on the basis of sale of the labor;
- 2) the employers/businessmen realizing the organizing and enterprise abilities;
- 3) self-employed (the persons working at own expense; members of the production cooperatives which are not using hired labor on a constant basis).

According to the International qualifier of the status of employment (1993) allocate six groups of the busy population:

- 1) hired workers;
- 2) employers;
- 3) the persons working at own expense;
- 4) members of production cooperatives;
- 5) the helping family members;
- 6) the workers who are not classified by the status.

In the Law "About Employment of the Population in the Russian Federation" and also the basic *principles of employment* are reflected in the Constitution of the Russian Federation.

The first principle reflects the exclusive right of citizens freely to dispose of the abilities to productive and creative activity; coercion in any form – is not allowed to work (except the special cases established legislatively). Thereby, the voluntariness of work as universal value is set by the law. The person can freely choose a type of socially useful activity, the place and appendix form of the abilities and desires.

The second principle reflects responsibility of the state for creation of conditions for realization of the rights of citizens to work and freely chosen employment. Responsibility of the state is connected with assistance of employment of citizens, disclosure of their interests and abilities when choosing a type of socially useful activity. The state assistance of employment and creation of conditions for it consists in adjustment by indirect measures (economic, legislative, social) economic behavior of citizens, in acquisition of the corresponding qualification by them for occupation this or that type of activity, in identification of suitable work or the place of study.

The third principle reflects an integrated approach to the solution of problems of employment, it includes coordination of efforts of authorities of all levels, interaction of mechanisms of state regulation and market self-regulation, use of financial opportunities of

budgets, off-budget funds, means of the enterprises, public associations and citizens, achievement of cost and SOCIAL efficiency from the adopted programs of assistance of employment of the population.

In the conditions of market economy there is not the direct centralized control, but the system of regulation of employment. In this system as the main regulators laws, Resolutions, normative legal acts, programs of encouragement and stimulation of employment, the agreement between subjects of the social and labor relations at the national, regional, branch levels and at the level of the enterprises act; the important part is assigned to investment, tax and financial credit policy. The state in this system acts as the Coordinator, the creator of frame conditions for functioning of the called links (regulators) of a system.

The state, carrying out policy of employment at the federal level, pursues strategic and tactical aims. *Strategic objectives of policy of employment* consist in achievement of the high *standard of living* of the population, in creation of conditions for versatile development of the person on the basis of increase in efficiency of economy. *Tactical targets* are directed to balance of supply and demand of labor on the basis of supply and demand of jobs, to ensuring full, productive and effective employment. The market mechanism in regulation of employment is directed to growth of production efficiency and, therefore, to elimination of inefficient jobs, release of the workers who are not meeting the requirements of demand. *Federal level of state policy of employment* includes a complex of active and passive measures for creation and preservation of jobs, to prevention of mass unemployment, its maintenance at the social and acceptable level ("normal", "natural"), preparation and retraining of the labor conforming to requirements of scientific and technical progress and labor market, development and *implementation* of the large programs and projects providing a conclusion from stagnation of depressive regions, etc.

The regional *level of state policy of employment* pursues the same strategic and tactical aims, as federal, but assumes fuller use of the available region opportunities, search of nonconventional solutions of problems of employment. Among them – elimination of administrative restrictions for movement of labor; preparation and retraining of labor taking into account features of work in this region; support (administrative, tax) activities of employers for creation of

jobs by them, including for persons with limited labor opportunities; expansion of range of public works for persons, is long staying in a condition of unemployment (unemployment); establishing cooperation between administrations of excess working and grudonedostatochny regions on temporary use of labor on the basis of contracts; attraction of the foreign capital to regions with the increased unemployment rate, including for development of small and medium business and preparation of labor for it.

Accounting of the population by types of public **useful** activity on **employment** allows to distinguish the following types of employment:

1) *productive* – takes place in spheres of public production of goods; brings to workers labor income; excludes the hidden unemployment of persons, formally busy, but nothing making (the excessive number of workers);

2) *useful* – extends to all socially important types of employment of able-bodied citizens, including internal study, military service, education of children, maintaining home and personal subsidiary farm, patient care by family members, aged citizens, public and religious work;

3) *rational* – is reflected by a ratio of productive employment with other types of useful employment or a proportion of distribution of human resources of society on spheres of socially useful activity, including proportions of distribution of labor potential by types of occupations, the industries, sectors of economy;

4) *full* – at it everyone to work at the developed (dominating) level of the real wage have work; by other assessment, the full employment takes place if the satisfaction of demand of everyone for jobs occurs on condition of economic feasibility of the offered jobs. In relation to the certain person the full employment is a work during the normal duration of the working day (week) determined legislatively (in the Russian Federation the normal Duration of the working day is eight hours a day or 40 hours a week). Achievement of full employment cannot be provided by means of one market mechanism, constant regulation of this process from the state and society is necessary first of all in education, sciences, health care, environmental and national security, functioning so-called natural monopolies (railroads, power and pipeline);

5) *effective* is the employment of the population providing income, growth of educational and professional levels of able-bodied

citizens on the basis of growth of public labor productivity and keeping health busy. By other assessment effective employment is the expedient, productive, socially useful, rational employment satisfying public and personal needs. At the same time for any society productive employment which, first, determines the economic capacity of the country is crucial; secondly, forms the level and quality of life of the population; thirdly, is the most important component of full and effective employment – a key problem of social and economic policy of the state.

Within national labor market work of people will be organized by means of different norms of legal regulation of duration and the modes of working hours, regularity and the place of performance of work. *Depending on the mode (conditions) of work distinguish the following organizational forms of employment:*

- full time/week (normalized by the legislation the 8-hour working day or 40-hour working week);
- the shortened working hours (a version *full*, but with a smaller duration of hours at works with harmful, dangerous, difficult working conditions; for persons 14 – 18 years);
- the separate working day (the day norm of business hours is divided into parts with breaks between them more than two hours);
- part-time (its duration is shorter than the normal working day);
- part-time working week (smaller on duration, than full time working week);
- a nadomnichestvo (work at home individual or by means of family members);
- combining jobs (performance of other paid work outside the working day of the main work; so-called secondary employment);
- temporary (seasonal) job (within the stipulated term or the work limited to volume);
- self-employment (independent search of labor occupation and creation of a workplace at own expense);
- a labor semester (the paid work of students and pupils in the period of vacation).

On *legal form of the enterprises* employment can occur in:

- public sector of economy;
- cooperatives;
- joint-stock companies with the mixed form of ownership;
- private sector;

- at joint ventures;
- public organizations;
- personal subsidiary and household.

Structure of employment and consequently, the structure of use of economically active population, is considered in a section of territories, the industries, professions and skill level. Experts note a straight line and feedback between distribution of labor on types of activity and the developed structure of economy (direct link) and between proportions of employment and structure of social production (strong feedback). An explanation of these communications is:

1) the creation of rational structure of production inconceivable without presence of labor, a necessary set of professions, qualifications, intellectual and physical work, is high - and low-skill labor, Thereby, the structure of employment reflects shifts in material conditions of production;

2) improvement of structure of social production for increase in its efficiency which eventually comes down to improvement of Structure of employment of the population as it appears more mobile.

Criterion of efficiency of structure of employment is compliance of the technical, functional and territorial organization of production which provides possible increase in productivity of work and balance with public requirements (production and personal). The most integrated indicator reflecting progressive changes in structure of economy and employment *transition from less difficult to more difficult types of work* is considered. This transition in growth of number and specific weight of the jobs demanding higher qualification of the worker is expressed. This indicator depends on a type of proportions of employment and can reflect:

1) *a macrostructure occupied* in which "the service shift" (a labor modulation from the industry in services sector) is considered progressive if the share of employed in the industrial sector of economy is reduced as a result of increase in productivity of work or the share of labor-intensive industries in services sector increases;

2) *shifts in employment in sectors of economy* when transition to more difficult types of work is expressed in growth of specific weight of more productive and highly profitable industries using more qualified so and more expensive work. A specific place is held here by the knowledge-intensive industries (science and scientific service, services sector) where the structure occupied very diverse by origin as some industries of this sphere develop in the direction of

mechanization and automation and at them grows demand for highly skilled work; others – are limited in mechanization and automation and accumulate low-skill labor (for example, social and personal services, complexes of consumer services in small settlements).

The aggregated *indicator of efficiency of interindustry structure of employment* can be considered *economic labor productivity* on all industries as average branch indicators of labor productivity. Progressive development of professional structure of employment is demonstrated by growth of specific weight of administrative personnel and technical officers whose activity is sated by creative komponenty. The social and professional list of employees of the industry (structure of employment) can be estimated by means of *coefficient of progressive structure* which pays off as the relation of number of more advanced social professional groups (with creative komponenty in work) to the number of workers in the groups which were less developed in this sense.

Thus, the rationality of structure of employment is expressed do not vrot any sector of economy (for example, number in services sector), and in transition from the industries with low skill level to the industries with high level.

The system transformation of employment happening around the world proceeds in the form of a combination of two processes – *restructurings* and *reallokation of employment*. As *restructuring* it is understood:

1) system transformation of employment as purposeful change of its structure, a part, element in connection with transformation of all economic system (in a broad sense);

2) transformation on new market bases of activity of traditional firms (state and primitizirovanny) which developed within a former economic system (in narrow sense).

Reallokation means formation of new private firms and redistribution in their advantage of resources from traditional sectors, including labor.

Interaction of processes of restructuring and reallokation outlines the main vector of changes in labor markets of transitional economies. Unemployment appears as the transit point at redistribution of human resources from the stagnating economy segments in developing.

Unemployment is an indispensable atribut of economy. Being shown through labor market, unemployment nevertheless is not

result of functioning only of labor market. Unemployment has general economic character, being a consequence of functioning of all economic mechanism because labor market not isolated system of the social and labor relations, *is integrally included* in the system of all market communications, and demand and especially the offer of work are formed due to economic and noneconomic factors. Labor market forms between supply and demand of labor form employment, but not unemployment. Unemployment is kind of employment "wrong side", she comes under influence of factors other than those that form employment of the population. Nevertheless, unemployment is always considered in the context of employment: increase in employment reduces unemployment, employment reduction – increases unemployment.

Unemployment is such phenomenon in economy when a part of economically active population is made by the unemployed.

The unemployed is the one who under the working conditions existing at the moment and the salary has no work, can work and looks for work.

In terms of macroeconomic unemployment reflects quantitative and qualitative discrepancy in labor market between rather big proposal of labor and demand for it; it always underexploitation of labor capacity of society, cumulative labor as production factor.

Foreign economists of different schools and the directions try to establish the reasons of unemployment for a long time. In the West the peak of studying of problems of unemployment fell on the period of the Great Depression which disproved a classical view of unemployment as on the temporary phenomenon which is automatically eliminated by a market mechanism of balance. Foreign economists never denied unemployment existence at all, moreover, they consider that a certain unemployment rate is vital owing to the cyclic nature of development of market economy and call it *natural, or normal unemployment*.

There are various *types of unemployment*: frictional, structural, seasonal, cyclic. Features of manifestation of each of them are caused by the reasons of their emergence. *Frictional unemployment* is caused by the natural (normal) aspiration of the person to look for more favorable and interesting spheres of application of the labor. It is unemployment "between works" when the person left the former place and is in search of another (process of search is not instant, and is accompanied by a certain waiting time). The reasons of frictional unemployment are connected with the aspiration of the person to

improve working conditions, to raise the salary, to leave from the conflicts in collective, to move to the new residence, it is simple to change a job for maintaining vitality, working capacity, psychological balance (psychologists recommend to change work not less than six times for life, however this trend has national peculiarities).

Frictional unemployment is always short-term and has a voluntary nature unlike the forced unemployment at which the worker can and wants to work at this level of the salary, but cannot find it. However the voluntariness of frictional unemployment carries only legal (legal), but not economic character. The reasons of economic character (bad working conditions, low earnings, pressure from administration and so forth) force the worker to join ranks of the unemployed temporarily. In Russia frictional unemployment carries, as a rule, not the voluntary, and forced economic character; often it is not fixed as having rummaged in work makes one-two months that for many people is not an occasion of the address and the employment service.

Structural unemployment belongs to the category "normal" as it is caused by need of structural changes in economy, emergence of new productions and the industries against the background of gradual stagnation of old. Structural changes in economy have long character that affects also duration of structural unemployment which arises among those people whose profession and qualification became outdated and do not conform to requirements of new jobs. Also technological **unemployment** which is caused by improvement of technological level of productions and the industries belongs to structural unemployment. The specifics of the Russian economy consist in recent years that structural changes are very seldom connected with technological changes (except for the computerization of administrative and bank functions demanding not retraining, and only professional skills, additional to the main). Frame structural Russian unemployment people not with outdated professions, and with outdated methods of work and way of thinking while structural changes in Russia are connected with replacement market inefficient or non-market fields of activity high-profitable and profitable that demands new knowledge and new thinking. There can be also territorial structural discrepancies.

Cyclic, or **sprosodefitsitny unemployment** arises at insufficient cumulative demand, is caused by decline in production and reduction of consumer demand because of fall of income of the

population. Professions and specialties of the unemployed not so much become outdated how many application because of uselessness of a part of labor just is not found for them. In the Russian economy it is difficult to draw an accurate distinction between structural and cyclic unemployment. If in the western countries the basis of unemployment is made its frictional and structural (technological) by subspecies, then for Russia the main problem is a cyclic unemployment with elements structural in the form of uselessness of a part of labor for a transitional economy (but not for economy in general).

Natural and normal unemployment both for the developed countries, and for Russia is *seasonal unemployment*. It is characteristic of agriculture, travel business, some crafts (fur, fish, whaling, collecting mushrooms, nuts, berries, curative herbs and so forth); it is caused by natural factors and it is rather easily predicted in those regions where the specified types of economic activity prevail.

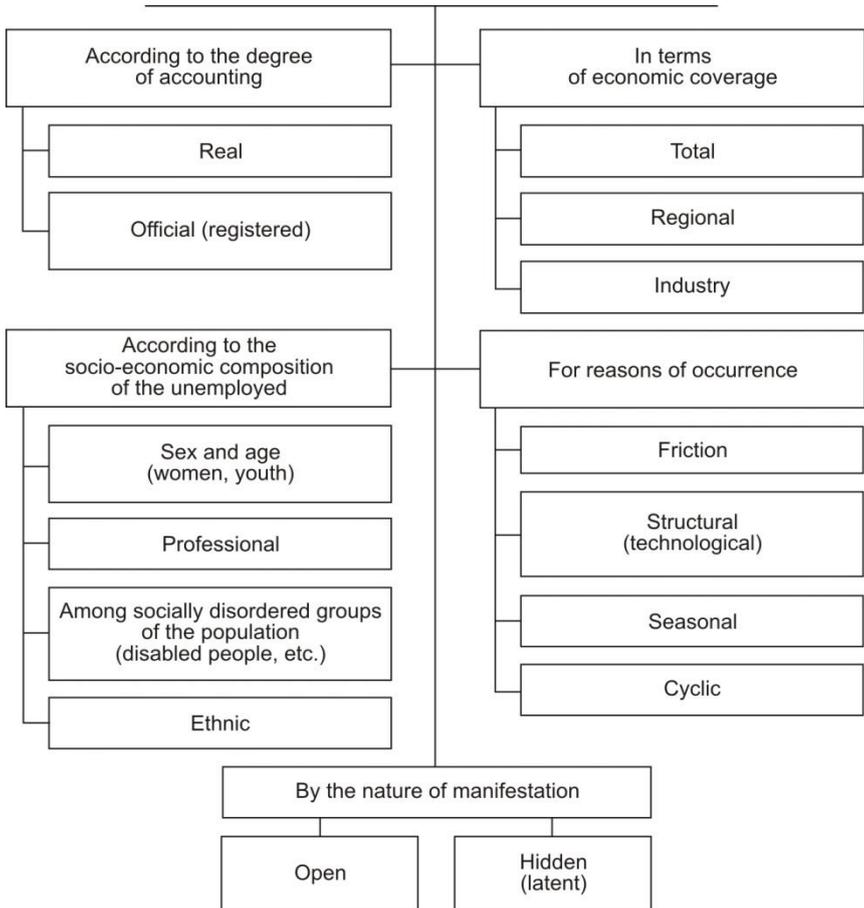
Thus, unemployment can be caused by the different reasons – decline in production in economy (cyclic), natural factors (seasonal), structural changes in the industries of production (structural, technological), imperfection of information in labor market (frictional).

The combination of the reasons causing this or that type of unemployment forms the general unemployment rate in the country which can differ from a real indicator of unemployment in labor market. In this regard in practice the concept of unemployment is concretized, using various criteria for its classification (fig. 3.4).

The unemployment specification by the marked-out criteria is important at a research of the problems arising at unemployment and also for development of the system of social protection of the unemployed and ways of minimization of unemployment. For development of measures of passive and active policy of employment and decrease in unemployment rate the reliability of determination of number of the unemployed is a major issue. Today almost all countries use a standard technique of the International Labour Organization (ILO) for determination of number of the unemployed. This technique is based on three criteria of a jobless state: 1) lack of work or self-employment; 2) readiness and ability to work at present; 3) implementation of practical steps on job search. In Russia to define real unemployment rate rather difficult, first because of ambiguity of criteria of a jobless state (for example whether it is possible to consider the unemployed it is forced partially

busy and what has to be state duration "out of work" and "job search" for reference of the person of the unemployed); secondly, because of registration approach to the procedure of obtaining the status of the unemployed it has to be registered in the Employment service, undergo testing for compliance to some conditions, and the persons who are already recognized as the unemployed should not reject offers on employment, and the dole gone by them is reduced with growth of an experience of unemployment).

Criteria of classification of unemployment



Rice 3.4. Unemployment classification

These factors underestimate real unemployment rate. The periodic examinations of households conducted by Federal State Statistics Service since 1992 give a better understanding of processes in labor market because are carried out in all regions of the Russian Federation, cover all population of the country on the basis of a selective method of observation, all spheres of economic activity, all sectors of economy and all categories of the working, including independent employment, unpaid workers from among family members, temporary employees and part-time workers.

Inspection of households is the only data source which allows to unite and measure employment, unemployment and economic activity. The data obtained by method of expert poll of the population increase real unemployment rate at least three times in comparison with officially registered. Programs of inspection are carried out according to the recommendations of the ILO that provides the international comparability of statistics.

The indicator "unemployment rate" (UR) pays off as the attitude of number of the unemployed (U) towards all economically active population (L) where $L = E + U$, and E – the number of the population occupied with work, i.e. $UR = U/L$.

The indicator "extendability of unemployment" characterizes the total number of the persons which had in a certain period the status of the unemployed irrespective of, they kept this status by the end of the period or not. Total number of persons is defined as the sum being registered for the beginning of the period and recognized as the unemployed in this period. Statistical reporting and expert inspections allow to determine prevalence of unemployment as in general, and by separate social and demographic groups (men, women, youth, rural and city dwellers).

The indicator "the movement of the unemployed" is characterized by the system of indicators:

- 1) how many new faces are registered;
- 2) how many persons had the status of the unemployed at the beginning of the period;
- 3) how many persons are struck off the register, including employed, issued on early pension, removed for other reasons;
- 4) how many unemployed remained on account at the end of the period.

The indicator "the unemployment duration" characterizes the average duration of job search by persons with the status of the

unemployed (for the end of the considered period) and also those unemployed who in this period were employed. In the analysis of unemployment indicators of its duration are of particular importance. The average duration of unemployment and a share of the unemployed, it is long not working, allow to judge a type of unemployment – frictional (fluid), cyclic (chronic).

The size of a dole which is differentiated depending on category of the citizens recognized as the unemployed belongs to indicators of unemployment. The grant is paid:

1) to the persons dismissed from the enterprises for any bases (except dismissal at own will) and having within the last year prior to the beginning of unemployment not less than 12 calendar weeks (three months) paid work. The size of a grant is determined by the following formula: within the first three months of 75% of average earnings for the last three months in the last place of work, within four next months – 60% of the same average earnings; further (five months) – 45% of average earnings. The general duration of payment of a grant – 12 months of unemployment. Restrictions on the size of a dole are introduced – it has to be not lower than 20% of the budget of a living wage (BLW) for the region and not above BPM;

2) to the persons which did not have 26 calendar weeks of paid work within a year prior to the beginning of unemployment and also the persons which for the first time are looking for work or persons interested to resume work after long (more than one year) a break – the grant is paid not lower than 20% of BPM on the region;

3) the unemployed studying in the directions of the employment service with payment of grants during training of 75% of the average salary for the last three months of work; the size of a dole for this category of persons is 20% of BPM on the region.

The indicator "the hidden unemployment" is not considered in the general indicator of unemployment rate. The Federal State Statistics Service indirect ways studies scales of the hidden unemployment, using reports of the enterprises, investigating forms of the hidden unemployment – the excessive number of workers; number occupied on the terms of part-time and persons interested to pass to full time, but not having such opportunity owing to an economic environment of firm; the number of the persons who are on administrative leaves without pay is on long vacations with the minimum wage (MW); the number of the persons which are standing idle due to the lack of material resources. Thereby, in the Russian

conditions *the hidden unemployment* is called the situation when the worker formally without breaking off the labor relations and being considered as employed, have no work and do not get paid or work part-time (day, week). In the international practice such situation is called a nedozanyatost, and the hidden unemployment consists of people who do not enter into economically active population at the moment of time, but would like to come into labor if granting work is for them suitable.

Indicator "the structure of unemployment" characterizes the unemployed on a sex, age, education level, the professional status, social features (workers, employees, experts), on the level of income and security, on reasons for leaving. The analysis of structure of unemployment is carried out on the basis of combinations of statistical, operational and sociological methods of a research. Development of a social and demographic portrait of the unemployed can be a result of the analysis,

Question social and economic consequences of unemployment the special place in the theory of unemployment. Unemployment, everything, means underexploitation of the production and human capital of society; it is wrapped for the country in losses of a national product and national income. If the economy cannot create enough jobs for all who want and can work, potential production of goods and services is lost forever. In not production *economic costs of unemployment* are shown. A difference between the actual volume of the gross national product (GNP) and potential which could be created, but it is not made, it is accepted to call *lag of volume of GNP*. A. Ouken's law mathematically describes dependence between rise in unemployment and lag of the actual GNP on potentially possible. Its law says: if the actual unemployment rate exceeds natural level for 1%, then lag of GNP makes 2.5%. In this law the basic moment is the unemployment rate accepted by society as natural or normal (and it, as we know, consists of structural and frictional unemployment). Natural unemployment rate is considered maximum permissible because at it balance of the factors raising market prices and the salary is reached. In process of development of market economy natural unemployment rate increases. In the western countries in 70 – the 80th of the 20th century the natural standard of unemployment was 3 – 4%, 5 – 6% today. In Russia it is difficult to define this norm due to the lack of stable low inflation and existence of the high hidden unemployment.

*Noneconomic costs of unemployment lie in the plane of social, psychological and political problems. They are connected not only with increase in social tension in society, but also with possible change of a political policy of the country towards withdrawal from economic (market) reforms. Negative social consequences of unemployment are connected with decline in living standards of the unemployed and also the level of the salary occupied owing to strengthening of the competition in labor market; with increase in tax burden on occupied owing to need of social compensations and material support of families of the unemployed; with full or partial loss of qualification of persons, a long time remaining the unemployed and also with increase in expenses of society at its restoration; with rise in crime, with moral and psychological degradation of persons, not having work a long time. Mass unemployment conducts to growth of a suicide, mental disorders, cardiovascular diseases mortality. Unemployment increases stratification of the population on the level of income, leads to marginalization (Latin of *marginalis* – being on the edge) separate segments of the population and social apathy (divergence).*

The main directions of state policy of assistance of employment of the population and its protection against unemployment are presented in fig. 3.5.

The most perspective directions of regulation of employment and minimization of unemployment are active economic methods with use of instruments of stimulation of investment activity, support of small business and self-employment, vocational education and retraining of personnel. The main tactical objective is unemployment minimization, suspension of its growth with simultaneous providing the unemployed with acceptable social guarantees and support.

Frictional unemployment is connected with process of search by the worker of a workplace. As information in labor market is imperfect, process of search of acceptable work takes time.

The main approaches to the analysis of process and duration of job search contain *in the theory of job search in labor market*.

The simple model of job search contains the following prerequisites:

- imperfection of information in labor market;
- jobs differ only with a salary rate;
- the worker knows distribution of the offered salary, but it is unknown what what firm will offer the wage level;

- if the worker found a vacant workplace, it will be offered to it;
- the worker has no restrictions in means, he can continue search so much how many will find necessary;
- the worker receives only one offer on a vacancy for one period;
- process of job search is connected with direct and alternative costs.

If the worker knew what firm will offer the maximum salary (w_{max}), he could get a job in this firm at once. In the absence of such information the worker is forced to resort to search process, offering the work to the firms having vacancies by the principle of random sampling, comparing the offered levels of the salary and choosing acceptable for it.

The worker can limit the field of search, or choosing the highest salary from consciously limited number of offers of jobs (using "the fixed selection"), or having established for itself minimum acceptable reserve salary and agreeing to the offer of equal or bigger salary.

Effectively working labor market infrastructure is necessary for the solution of this problem and data of risks to a minimum.

One more way of risk reduction is the trial period. What opportunities are for obtaining information on labor market and further employment? First of all it should be noted that at employment it is possible to use several approaches. First, to use the active and passive strategy of job search. *Active strategy* is understood as collection of information about possible vacancies and the offer of the services; under *passive strategy* – dissemination of information on through mailing of the summary on all possible employers (without clarification of their requirements), to the recruiting agencies, the publication of the summary in newspapers and the Internet. Secondly, it is possible to involve the open and hidden markets of vacancies. The open market of vacancies are vacancies which are published in open access (newspapers, on the websites of the Internet, corporate editions, etc.). The main advantage of this market – availability of information on vacancies. The main shortcoming – the big competition among candidates. The hidden market includes:

- vacancies on which search is conducted mainly according to the recommendations of people familiar to the employer;

- vacancies which can be not described yet and exist at the level of representation or just requirement of the organization for any function of Advantage and shortcomings are opposite to the open market of vacancies here. Low availability of information at the low competition. Besides, the probability to find the work, the most precisely corresponding to preferences of the person on the content of work, specialty (specialization), level of requirements, above as there is an opportunity together with the employer to specify and even to formulate functions and working conditions.

Let's consider efficiency of sources of information on labor market and the elements of infrastructure helping by job search.

The most available sources of information are the newspapers, magazines and the websites publishing announcements of vacancies. Announcements in such sources are updated rather often. If to speak about printing editions, then frequency of the edition of the majority of newspapers – one or two times a week. Information on the websites is updated in process of receipt of vacancies. It is possible to refer low reliability of information, lack of guarantees that the company offers those terms about which it is told in the announcement to shortcomings. For additional verification of information it is possible to use corporate editions, the websites of the companies, industry shows, job fairs where it is possible to collect additional information, to communicate to representatives of the enterprises and organizations.

On the Internet and newspapers the veiled announcements of vacancies in multilevel (network) marketing rather often meet. How can they be "distinguished"? Distinctive feature of such announcements – lack of accurate requirements to qualification of the worker, the description of official functions of the name and a field of activity of the company. In them the high level of the salary is, as a rule, offered.

It is a lot of useful information about vacancies, level of the salary, a situation in labor market it is possible to receive through institutes of labor mediation which treat Federal Service for Labour and Employment, commercial (the recruiting agencies and commercial labor exchanges) and specialized intermediaries (high school jobcenters, labor exchanges of the military personnel, the exchanges of female home labor), etc. Job search through the recruiting agencies is convenient that they check information on the

organization the customer and also train candidates for an interview taking into account features of selection in the organization.

At commercial employment agencies the main service – employment, respectively her candidates also pay. Unfortunately, in labor market constantly there are "companies swindlers" which take money from applicants, without providing real services in employment. To minimize risks at communication with commercial labor exchanges, you should not pay services until employment.

The specialized intermediaries working at separate segments of labor market (youth, the military personnel, disabled people, etc.), have rather high level of reliability and efficiency as are guided by specific social groups. The address to such intermediaries guarantees compliance of the offered vacancies to features of the candidate, his specialty and skill level. One of reliable, but labor-consuming ways is job search according to recommendations (on acquaintance) which covers the hidden market of vacancies. As a rule, at such way the candidate has an opportunity to obtain reliable information about the company, though with some subjective shade. For more effective collection of information on opportunities for employment in the hidden market of vacancies the applicant is recommended to maintain the database containing information on people who can recommend to you what - either a vacancy or the company.

Specifics of labor market such is that completely it is impossible to overcome information asymmetry. Both the worker, and the employer will be able to gain complete idea about each other, only after a certain term of work. Peculiar "insurance" both for the worker, and for the employer is the trial period. Duration of a trial period usually is no more than three months, except for separate cases (see Article 70 of the Labor Code of the Russian Federation). According to this article the trial period is not established to graduates initial, average and higher education, in that case if they for the first time go to work in the specialty.

Let's consider what risks are possible when passing a trial period at employment:

- some unfair employers use a trial period as a way of decrease in costs for personnel. For this purpose the separate companies gather personnel for a trial period with the salary below average on the organization. By results of a trial period of workers dismiss and take new. Such companies often call "fans". They can be

distinguished, having analysed specialized printing editions for the long period. If in the company a constant set of personnel on the same positions is conducted, then it testifies to that, something in the organization big turnover of staff; or it is the company - "fan". Very often in such companies duration of a trial period is higher provided by the legislation;

- other widespread way of deception is connected with use of intellectual property or results of work of applicants for a position. The company announces a competition on a nonexistent vacancy, at the same time a condition of a competition is writing of an advertizing solgan, drawing up the business plan or other intellectual work;

- it is also possible to refer cases when as a condition of employment preliminary training in the company at own expense acts to risks.

To minimize risks, it is necessary to show consideration for paperwork at employment.

At employment the following documents have to be processed: employment contract, job application, order (order) on employment.

In some cases the employer suggests to conclude the turnkey contract instead of the Employment contract.

Discrimination is unequal opportunities in labor market of group of the workers allocated on a certain sign and having identical productivity with other workers (group discrimination), or unequal vozmozhnostiotdelny workers in comparison with the workers having similar characteristics of quality of labor (individual discrimination). As the basis for discrimination racial, ethnic, gender, age and other characteristics of labor speak at labor market.

Allocate several types of discrimination in labor market *on a coverage or by results*.

4. Discrimination at employment (or at dismissal from work) – when this or that group of able-bodied population with other things being equal the last is hired and the first dismissed.

5. Discrimination in access to certain professions or positions – when forbid some group of the population or limit access to certain types of activity, professions, positions in spite of the fact that they are capable to perform this work. This type of discrimination is called also professional segregation (restriction in the rights). As a result of a professional segregation workers of not discriminated group receive higher salary for the account of workers of the

discriminated group. However the last do not get paid less than the limit product.

6. Discrimination at compensation – arises in case of lower compensation of some workers in comparison with others for performance of the same work. In this case differences in compensation are not connected with differences in efficiency (productivity) of work.

7. Discrimination at promotion, in professional career – when workers of the discriminated group are limited in vertical mobility. This type of discrimination is similar to a professional segregation, but in this case restriction of the rights happens down, in official hierarchy.

Discrimination at education or vocational training – can be expressed or in restriction of access to education and vocational training, or in providing educational services of more poor quality. This type of discrimination cannot fully be referred to discrimination in labor market as education usually precedes entry into the market of work and work. But despite "to - labor" the nature of this type of discrimination, its cause and effect are closely connected with functioning of professional labor market.

Thus, discrimination – the difficult phenomenon in which also discriminatory differences in salary, and other unequal opportunities in labor market unite. At the same time it is necessary to understand that unequal payment for the work comparable on the value – it is not obligatory discrimination while equal payment for work of equal value not necessarily means lack of discrimination.

Allocate also different types of discrimination depending on *the reasons generating it*.

1) discrimination from workers arises when the most part of workers avoids cooperation in labor collective with the discriminated workers;

2) discrimination from consumers is generated by the unequal attitude of consumers towards the workers providing them the same type of this service;

3) discrimination from the employer is expressed in the unequal attitude of the employer towards various groups of workers identical on productivity, but different in characteristics on which the employer prefers one group another;

4) discrimination from the offer of work arises as reaction of employers to various characteristics of the offer of work of the

workers having identical productivity. The typical example of discrimination from the Offer of work is a monopsonistichesky discrimination in labor market at which the employer-monopsonist pays workers unequal salary proceeding from the assumption that at various groups of workers the different elasticity of the offer of work and different labor (professional) mobility takes place;

5) statistical discrimination – is expressed that the employer in the conditions of imperfection of information judges workers on the basis of average characteristics about labor productivity, inherent in group to which this worker, but not on the basis of information on its individual productivity belongs. Statistical discrimination can also arise at selection of workers. For this purpose besides visible characteristics special tests which results allow with some probability to judge the individual productivity of the worker are applied.

In practice there are situations at which employers can have *tendency* to discrimination and prejudice in relation to any groups of workers. At the same time workers of the discriminated and not discriminated groups have identical productivity and are absolutely replaced in production, but salary at them different (at the first it is lower).

Thus, discrimination is expressed in unreasonable differences in the salary or in employment which in turn lead to deterioration in welfare of people. At the same time the prize from discrimination of some groups does not compensate loss of others. Discrimination does benefit to some groups of society and harm to others, but at the same time if the prize of the first is insufficient to offset losses of the second, then the discriminating economy moves from potentially effective situation in the opposite direction. Discriminatory distinctions favor to workers from not discriminated group and bring losses or to employers, or workers of the discriminated group. But irrespective of a type of discrimination, it is connected with falling of the general welfare.

The system of equal payment for work of comparable value is applied to overcoming discriminatory differences in salary in social policy of many countries. In this system each workplace is estimated and compared with another by criteria of qualification, tension, responsibility and working conditions. The jobs which received identical assessment of comparable value have to have the identical level of compensation.

Questions and tasks for self-examination

1. What does the essence of labor market and what forms of its manifestation consist in?
2. List labor market mechanism components which determine its capacity.
3. Of what components does the structure and infrastructure of labor market consist?
4. What maintenance of the concepts "foreign market of work", "domestic market of work"? What market models of work do you know? Give them characteristic.
5. What is meant by labor market segmentation? Call criteria by which it is possible to allocate labor market segments.
6. What segments allocate in labor market by criterion "extent of the state influence"?
7. What features does the state demand for work at the national and regional levels have?
8. Call factors of formation of demand for work on macro - and microlevels?
9. What is understood as physical and economic jobs? What essentially distinguishes them?
10. In what an essence of reproduction of physical jobs?
11. What state mechanisms have to be used for increase in investment activity of the enterprises for creation of new jobs?
12. From what benefits the maximum usefulness in model of the offer of work is expected?
13. How do the prices (on work and the capital) affect scale effects and replacements in relation to demand for work? What happens in time to these effects in short and long-term peryod?
14. What communication does the effect of the additional worker with income effect have? Under what conditions does communication between them arise?
15. What causes of intra-corporate labor market?
16. Define essence of employment as economic category. Call main types of socially useful activity.
17. What types of employment exist? What maintenance of the concept "effective employment"? By what indicators it is measured?
18. In what do the essence and the reasons of unemployment consist?

19. What types of unemployment are studied by the economic theory of work?

20. In what an essence of the hidden unemployment and how it is possible to estimate its scales?

21. Describe a concept of asymmetry in labor market. List types of asymmetry.

Section IV. Organization of work

4.1. Value, concept and maintenance of the organization of work

Work can be determined as employment by this or that type of work. In order that work was effective and useful, brought the notable end result and satisfaction, it has to be appropriately organized. The concept (term) "organization" can be considered in two aspects: from the functional point of view - it is internal orderliness, association, unity; from the institutional point of view - it is structure, association, the building. Therefore, in relation to work this term means streamlining, carrying out in a certain system of work of the person. At the same time it is necessary to approach the organization of work, on the one hand, from a position of its structure, i.e. components (elements) disclosing its content and, on the other hand, the organization of work is considered in dynamics i.e. as continuous and continuous creative process of improvement of work according to the changing conditions of production. The range of components (elements) of the organization of work is rather wide. A certain arrangement of workers and investment of each of them with concrete labor functions, first of all, is necessary for ensuring functioning of any enterprise or labor collective. It is reached on the basis of the division of labor representing objective process of isolation of different types of work.

Division of labor includes several types: the general (in society), private (in the industry) and single (in the enterprise, its structural divisions, labor collectives). The main signs on which division of labor in the enterprise is carried out of its structural divisions and labor collectives are functional, technological and qualification signs.

Dividing work, it is necessary to establish its optimum borders, considering its positive sides from the economic, psychophysiological, social point of view, as well as negative sides. It is it from the most important tasks of the rational organization of work.

Division of labor leads to isolation of separate works and workers on production of any product and in too time causes the necessity of combination of their efforts which will lead to creation of a ready-made product, i.e. to achievement of an ultimate goal of production. Such association is called cooperation. K. Marx gave the

following definition to labor co-operation: "that form of work at which persons systematically works hard as a row and in interaction with each other in the same process of production or in the different, but connected among themselves production processes is called cooperation (K. Marx, F. Engels, Soch., the 2nd prod., t. 23, page 337). Thus, labor co-operation is a direct consequence of its distribution, a peculiar reverse of the medal. Problems of cooperation at the enterprise consist, first of all, in systematic establishment and maintenance of optimum proportionality of separate types of the specialized (divided) work, in establishment of optimum relations of production and communications between workers. Rational forms of labor co-operation at the enterprise find the expression in these or those forms of the organization of work and, first of all, in forms of primary labor collectives.

Organizational support of work assumes the organization of labor processes, i.e. definition of receptions and ways by means of which the concrete type of work can be executed.

The organization of any labor process demands its studying, defined necessary costs of working hours of its implementation and respect for certain principles.

The basic principles of the organization of labor processes are the proportionality, synchronism, rhythm, continuity. It is easy to notice that these principles are interconnected and supplement each other. Among Other principles of the organization of work it is necessary to call the principles of optimum content of labor process, specialization of working functions, minimum movements and economy of movements, optimum intensity of work, responsibility, the principle of typification of labor processes.

Process of work is carried out in time and space. Subject to spatial application of effort is the workplace.

Workplace - primary link of any production and labor process. Here organically basic elements of process of work - an object of the labor, means of labor and work connect. Therefore correct, definitely organized workplace is an important condition of high-performance work of performers, an integral part of the organization of work.

The organization of a workplace is understood as its equipment and the equipment, planning, service.

To equip and the equipment a workplace - it means to provide it with all necessary objects and means of labor: equipment, raw materials, materials, various devices, tools, production furniture, container, etc.

Planning of a workplace assumes the most rational spatial placement of objects and means of labor.

The planning purposes - effective use of floor spaces, reduction of excessive movements and providing a convenient working pose, creation of convenient and safe working conditions. In this regard the importance during the equipping, the equipment and planning of jobs, designing and production of machines, the equipment, devices, tools, production furniture, etc. has accounting of ergonomic requirements, anthropometrical, physiological and psychological data of the person.

It is possible to equip and equip well workers the place, it is rational to plan it, but if at the same time not to provide periodic and timely replenishment spent in the course of work of raw materials, materials, energy, providing with transport or if the worker constantly distracts from the main technological functions for performance of auxiliary works, such organization of a workplace will be a little effective. The system of service of a workplace - a reasonable complex of actions for a regulation of volume, frequency, terms and methods of performance, the main and auxiliary works, on providing jobs with all necessary for high-performance and continuous work during change, day or other period of working hours is designed to provide the solution of the called tasks. Such system includes organizational, repair, transport, hozyaystvenno - consumer services of ensuring communication.

Work creating favorable conditions - psychophysiological, sanitary and hygienic, esthetic, socially - psychological and establishment of the rational work-rest schedules promoting maintenance of high and steady performance of the person during perhaps long time is of great importance for functioning of labor and achievement of necessary efficiency of work.

The organization of work is impossible without establishment of a measure of work. Means of establishment of such measure of rationing of work.

Work incentives, i.e. development and application of such material and moral incentives which would provide objective and fair assessment of work and which would induce to active work are among the most important elements of the organization of work.

Selection, training and development and also condition of Discipline of work and existence of the concrete mechanism of its maintenance at appropriate level are important for the solution of tasks of the organization of work.

It is necessary to highlight that all elements of the organization of work and the direction of its improvement can be considered only in close unity, in interrelations, interconditionality and interdependence.

Organizing work, it is necessary to be guided by a number of the known principles (requirements) to which the rational organization of work has to answer. Treat them: scientific character, systemacity, optimality, continuity, normativity, efficiency, humanity.

4.2. Development of the theory of the organization of work

The beginning of application of evidence-based methods of the organization of work of workers is connected with a name of the American engineer F. Taylor (1858-1915).

Rapid development of the industry in the developed capitalist countries at a boundary of H1H-HH vekov, search of ways of receiving high profits of the organization of work. At the same time it is necessary to emphasize very important fact that the majority of problems of the organization of work were solved those years not in the research organizations and laboratories, and directly under production conditions.

Those years the concept "scientific organization of work" (SOW) appeared used and now. Taylor developed the system of the organization of work and production management known in literature as "Taylor's system" or "taylorism". The organization of live work takes in it the major place. Here, first of all, it is necessary to call careful studying of labor process with division it on the making elements - receptions and actions, elimination excessive and awkward, studying of each element separately and determination of the rational sequence of their performance. All this was a prerequisite of measurement of costs of working hours of performance of separate elements of labor process by means of time observations and establishment of a concrete, intense task - a lesson (on present terminology - norms of work).

In Taylor's system such elements of the organization of work as the organization of a workplace, alternation of time of work of m time of breaks for rest, set and arrangement of workers found reflection in collective, increase in their qualification, price-work compensation. Among those who supplemented or broke off in a

varying degree system F. Taylor it is necessary to call the American engineers F. Gilbret (1868-1924) and G. Emerson (1853-1931).

Subject of researches F. Gilbreta (together with the wife L. Gilbret) was trudoprotsess and its simplest components - labor movements, - the careful analysis of the sequence of performance of movements, definition as far as it is rational, the choice "only the reasonable sequence", trying to obtain at the same time that movements were purposeful, the shortest, continuous, did not demand excessive physical efforts. The ideas and developments of spouses of Gilbretpolozhili the beginning to the extended nowadays, especially abroad, microelement way of rationing of work.

Among the scientific interests of G. Emerson questions of rationing of work, creation of normal working conditions on production, production instructing, discipline of work deserve attention.

Speaking about emergence and development of science of the organization of work it is necessary to mention the American doctor and the psychologist E. Meyo (1880-1949) and the American engineer, the founder of an automobile dynasty G. Ford (1863-1947). They by right can be carried to number of the first who paid attention to the factors of the organization of work and production directly related to the person and personal characteristics reflecting it and labor behavior which call social and psychological factors of the rational organization of work or just human.

In Russia big scientific and practical work in the field of the organization of work was developed in the 20th years of last century. At that time in our country there were more than 50 research organizations among which there is the Central institute of work (the director - the prominent specialist in questions NOTES standing at the origins of this science at us in the country A.K. Gastev), the Kazan institute of the scientific organization of work, All-Ukrainian institute of work, the Taganrog institute of the scientific organization of production, the Central laboratory for work studying. F. Taylor's works, F. Gilbreta, Emerson, Ford, A. Fayol, etc. were transferred that helped our scientists and organizers of production to study the foreign theory and practice in the field of the organization of work and production. Big popularity in the 20-30th years works of domestic authors of A.K. Gastev ("As it is necessary to work", "Rationing and the organization of work", "Labor installations") got, P.M. Kerzhiniyev ("The principles of the organization", "Fight during time", "Organize

yourself"), O.A. Ermansky ("The theory and practice of rationalization", "The scientific organization of work and Taylor's system", "Taylor's System", "Legends of Ford"), V.M. Ioffe ("The new ideas in technical rationing", "Work, its essence and elements"). At all contradictory assessment now of V.I. Lenin's role in the history of our state hardly anyone from scientists - economists will deny its contribution to development of science about the organization of work, devoted to its problems a number of the works. In improvement of the organization of work V.I. Lenin saw the most important means of increase in its productivity.

Prominent domestic scientists - S.G. Strumilin, V.M. Bekhterev, V.M. Ioffe, I.M. Burdyansky, E.F. Rozmirovich, F.R. Dunayevsky, S.G. Kolesnev, I.N. Nekrasov contributed significantly to science about the organization of work those years.

Much attention to problems of the organization of work was paid by periodicals. Special magazines were created - "Organization of Work", "Time", "Questions of the Organization and Management", articles devoted to problems of the scientific organization of work were published in the newspapers Pravda, Izvestia, Trud, etc. With the NATO movement of those years it is closely connected names state and obshchestvennykhdeyatel - F.E. Dzerzhinsky, V.V. Kuibyshev, T.K. Ordzhonikidze, N.I. Bukharin, ON. Semashko, V.V. Schmidt, M.P. Tomsky.

Since the middle of the 30th years, researches in this area were conducted less actively, and then practically stopped. Returned to problems of the organization of work in the sixties and researches continued prior to reorganization and transformations in national economy.

If to assess today's situation with organizational support of work, then it is necessary to emphasize that, unfortunately, basic and applied researches on many current problems of the organization of work are almost curtailed, many scientific institutions dealing with these problems stopped the existence or reoriented activity.

In governing bodies of various level at the enterprises are reduced or merged into other divisions of division on the organization, rationing and compensation.

Such relation to the organization of work is not reasonable and does not answer strategic objectives of development of production. Both practice, and a position of many scientists - economists - foreign and domestic, demonstrate that improvement of the organization of

work is effective means of increase in labor productivity to which the special part in overcoming the crisis phenomena in business economics, the industries, regions and the country in general has to be assigned.

4.3. Work measurement, essence and work rationing role

Any labor process proceeds in time. The production purpose, types of the applied objects and means of labor, an originality of methods and receptions influence duration of separate labor processes. The organization of work of certain workers it is necessary to know of what elements the working hours spent by them consist, how effectively it is used, and for this purpose it should be measured, thereby measuring also work.

Understand establishment of costs of working hours of performance of any concrete labor process or its part as measurement of work. At the same time we are interested not only the actual expenses of working hours, but also expected (at change of organizational specifications). Thus, measurement of work sets as the purposes: definition of the existing labor input on performance of labor processes or their components (operations, receptions, actions, movements); identification of structure of expenses of working hours throughout a shift (day) or its part and assessment of components in terms of their need and rationality; creation of base for the expected (perspective) calculations of expenses of working hours, i.e. work rationing. At the same time it is necessary to emphasize that measurement and rationing of work the spheres of economic work which are closely interconnected, but having independent value at the enterprises. Measurement of work being, on the one hand, a work setting standards basis, with another - holds link position between rationing of work and the analysis of all work at the enterprises. At the same time it is important that measurement of work will give the expected effect if it covers all categories working, and not just workers, but also experts, and heads.

In this regard is of the practical interest of the proposal of some scientists-economists (for example, G.E. Slezinger, N.M. Volovskaya) about allocation of special scientific area of an ergonometriya (Latin ergon - work, a metriya - measurement) to the solution of problems of measurement of work. the ergonometriya is designed to study, develop and improve methods and measuring instruments of quantity

and quality of the work spent for Achievement of certain results proceeding from the complex analysis of technical, technology, organizational, social factors.

For measurement of work various means and ways are used. To them first of all, the photo of the working day, timing, phototiming belong.

The photo of the working day is applied when it is necessary to study expenses of working hours during the working day (change) or its some part. The term "photo" means that the observer fixes one and all expenses of working hours in a special observation leaf. The photo of the working day allows to define rationality of use of working hours, to reveal losses of working hours and their reason, to develop organizational and technical actions for elimination of such losses, improving thereby the organization of work and production. Were widely adopted the individual photo (subject to observation - one worker), group (it is observed at the same time several workers), the self-photo (the worker himself fixes the losses of working hours which are available in his work).

Timing is a way of studying and measurement of expenses of working hours of the separate repeating elements of labor process, and data even not during the working day (change) that distinguishes it from the photo of the working day.

Fotokhronometrazh-unites two last ways of studying and measurement of work.

For measurement of expenses of working hours also other ways can be used.

The way of instant observations represents a research of expenses of working hours, load of workers and uses of the equipment in time on the basis of the developed observations made at accidentally chosen moments. The way of moment observations allows to determine the size of expenses of working hours, without resorting to continuous and their direct measurement, by fixing of number of cases of their repeatability, i.e. in short terms and at a small number of observers to capture a significant amount of the studied objects and labor processes.

Videokinosjemka-a peculiar way of studying of labor processes and measurement of work, allowing to record visually both labor process, and its separate elements - operations, receptions, actions, movements. It gives the chance to establish not only methods and methods of work and expense of working hours, but also separate

indicators of working conditions, the list of the workers participating in labor process, their interaction.

Work measurement, besides independent value for measurement of expenses of working hours, their analysis, economy and decrease serve as it was noted, as initial base for work rationing.

The essence of rationing of work consists in establishment of a measure of the work demanded on performance of a certain work in the most rational organizational specifications. Work rationing as means of formation of socially necessary expenses of working hours and labor extends the influence on various aspects of activity of the enterprise to production of these or those types of products - economic, engineering, organizational, technological, social. First of all, rationing of work promotes effective use of working hours; it is means of improvement of division and labor co-operation, rationalization of labor processes, improvement of the organization of a workplace, work-rest schedules, i.e. a number of the elements making the organization of work. Without rationing of work it is impossible to provide comparability of results of work, to establish the level of labor input of products and labor productivity. And, at last, a state and quality of rationing of work and concrete norms at the enterprise. Predetermine advantages and shortcomings of the applied terms of payment of work, his motivation and stimulation.

Therefore it is impossible to agree with obvious negligence in any way to work rationing which developed in recent years, with a position of those that in new conditions of managing there is no need to use evidence-based norms of work. On the contrary, the role and value of rationing and standard materials on work increase in these conditions. At what it is not only about traditional norms of work, but also about norms of consumption of raw materials and materials, norms of production, rated tasks, standard (design) labor input of unit of work and a unit of production, on complex norms. It is impossible to consider the enterprise successful and effectively working if at it there is no rationing of work or it poor quality if at the enterprise and in its structural divisions the constant and system analysis of norms of work and other standard materials, their revision and replacement by more progressive is not carried out.

In practical activities the measure of work is expressed as norms of work. Norms of work can be distinguished in a form of expenses and results of work. Norms of time and norm of number belong to norms of work in an expensive form; to norms in a result-based form - performance standards and norms of service.

Norm of time are costs of working hours of performance of unit of work or production of a unit of production. As, working hours serve as a general measure of work and therefore, rationing comes down to definition of necessary expenses of time for performance of this or that work (production of these or those products), or her smaller a part - the standard, norm of times as a rule, are initial base for calculation of other types of norms.

Performance standard - quantity of units of production (hectare, ton, m, piece) which has to be made in unit of time (change, hour). Between performance standard and norm of time as it is not difficult to notice, there is an inversely proportional dependence.

Norm of service - quantity of items of equipment, cars, animals, number of the jobs, the size of the area served by one or group of workers in unit of time (the working day, change).

Norm of number - number of the workers of the corresponding structure serving any object (the unit, a livestock farm or a complex, the product line, a warehouse, etc.). It is necessary to tell about the complex norms established on the interconnected labor processes, for example, in agricultural production also; norms of work on separate labor processes form a basis for complex norms.

4.4. Classification of expenses of working hours and its use for work rationing

There are several standard classifications of the expenses of working hours differing on specification depending on the purposes (measurement of labor input, the analysis, work rationing) and subjects to their application (workers, experts, employees, heads). One of such classifications is given below.

The general operating time (changes, day) includes as the time expenses connected with performance of production target, and time expenses, not provided by production target (performance of unusual functions, marriage correction); when calculating norms of work they are not considered, but in production take place.

Operating time consists of preparatory and final time, quick and time for service of a workplace.

Preparatory and final time is time which the worker spends for training of and a workplace for performance of production target, and also for actions the tasks connected with completion. It is clothing of overalls, obtaining the order, the tool and preparation it, sometimes - transition to the place of work, delivery of work and products.

Operational time consists of time of the main and auxiliary work. It is the major component in overall balance of time of change. Time of the main work are spent for actions which directly change a quantitative and qualitative condition of an object of the labor; time of auxiliary work is the time spent for the actions providing and promoting performance of the main work.

Holding time (organizational and technical) a workplace are expenses of time for care of a workplace, lubricant, cleaning and adjustment of machines and the equipment, elimination of small technical malfunctions, sharpening and editing of the tool, cleaning of working bodies, work quality check.

Time of breaks is time during which the worker is not busy for any reasons. It is divided into time of the regulated and independent breaks.

The regulated breaks include the breaks caused by technology and the organization of production both breaks for rest and personal needs. Time of the breaks caused by technology and the organization of production are expenses of time which need is caused by specifics of production or the organization of production (we will tell, expectation of the vehicle, loading unloading, etc.). Time for rest and personal needs are the time provided to the worker during the working day (change) with rest for maintenance of its working capacity and removal of fatigue and also time for personal hygiene and natural needs.

Independent breaks are the breaks in work which are not provided by technology and the organization of production. They are subdivided into breaks of organizational and technical character (for example, because of breakage of the unit, lack of raw materials, vehicles, etc.), the breaks connected with violation of labor discipline and breaks on other causes (for example, for the meteorological reasons - in agriculture). It is obvious that independent breaks are loss of working hours. Operating time on performance of production target and time of the regulated breaks make in the sum the so-called normalized time which is taken into consideration at establishment of design balance of time of the working day (change) and norms of work.

4.5. Methods and ways of rationing of work. Order of establishment and use of norms of work

For development of norms of work special methods are used. In practice two methods of setting standards - analytical and total differ.

The analytical method of rationing provides preliminary studying of labor process and expenses of working hours, the analysis of use of the equipment, equipment, working hours. At this method two various approaches - analytically experimental and analytically settlement, the definitions of expenses of time differing in the way are used.

Analytically experimental way is applied to definition of costs of each element of labor process and on labor process in general on the basis of a research of these expenses in a workplace and their analysis. Expenses of working hours are investigated by direct observation of labor process by means of the ways considered above - photos of the worker, timing, etc. Analytically experimental way is applied in the absence of basic (standard, uniform) norms and standards or if they cannot be used because of discrepancy to specific conditions of production.

Analytically settlement way provides establishment of expenses of time for labor process and its separate elements not by measurements, and on the basic standards of various extent of integration of interindustry, branch and local levels which are in advance developed by special facilities.

Two ways of an analytical method of rationing of work are interconnected and supplement each other.

The total method of rationing, unlike analytical, is characterized by the fact that the norm is defined on labor process in general, but not on components. Labor process and expenses of time, as a rule, are not studied and not analyzed. Norms of work, at the same time, can be established: by practical consideration - on the basis of personal experience of norm setters; statistically - on the basis of accounting of the actual labor input in a definite time; by analogy - by comparison of this work (on the volume, complexity, technology, on means of labor) with the similar works performed earlier.

The total method cannot form, naturally, a scientific basis of setting standards of work, but it can be used as a reference point for limited time, before development of evidence-based norms of work.

Any norm of work has to be defined with data of science and the best practices. Setting standards assumes that it when developing each of its types follows, besides studying and the analysis of labor process and expenses of working hours, to consider and analyze all factors depending on production and workers and influencing the size of labor input and consequently and at a size of

norm of work. Such factors are called normoobrazuyushchy. These factors can be technological (to reflect requirements of technology, an agrotechnology in agriculture), technical (constructive and operational characteristics and feature of machines, tools, machines, tractors, etc.), organizational (serving a workplace, labor input of technical leaving, etc.); in agriculture biological factors are important (productivity of page x. cultures, efficiency of animals, poleglost and humidity of plants, etc.) and natural factors (soil type, configuration of the land plots, relief, kamennost of soils, etc.).

Studying of labor processes and expenses of working hours, accounting of the corresponding normoobrazuyushchy factors promotes comprehensive justification of norms of work. First, the norm has to be proved technically, i.e. provide the fullest and effective use of the equipment and technology, material resources. The norm of work has to be proved economically, i.e. provide an optimal variant of expenses of the live and substantiated work, to promote, thereby, effective use of human and material resources, increase in labor productivity, quality of products and works.

Organizational justification of norms of work assumes accounting of many elements of the rational organization of work - a ratio between the main and support functions, the organization of a workplace and application of the most rational system of its service, progressive ways of performance of separate elements of labor process, etc.

Psychophysiological justification of norms of work means that at their development it is necessary to provide normal labor efficiency standard, a rational work-rest schedule, to exclude (or, at least, to minimize) influence on an organism of workers of harmful effects of the environment for the benefit of maintaining their high performance and health. And, at last, social justification of norms of work provides pithiness and appeal of work, accounting of their influence on growth of qualification of workers, strengthening of discipline of work, reduction of turnover of staff, development of a creative initiative and interest in work.

Use of evidence-based norms of work - an important factor of increase in efficiency of work and production. All norms of work can be subdivided into uniform, standard and local (temporary).

Uniform norms apply at identical works at the enterprises of one or several industries. Uniform norms of time for transportation of goods by the motor transport, loading and unloading works, for works

in construction can be examples of such norms. Standard norms apply at identical most widespread works with the standard production technology and the organization of work, reached by most the enterprises. They have advisory nature and can not be applied if at this enterprise the production technology and the organization of work significantly differ from standard. Local standards are developed - and applied at one concrete enterprise or group of companies; they are temporary and work until the uniform or standard norm is established and recommended.

In work on establishment and use of evidence-based norms of work the important place is taken by the analysis of application and performance of norms. Such analysis has to become a component of the analysis of economic activity of the enterprise and its divisions.

As indicators for the analysis of application and performance of norms of work it is possible to recommend the following: degree of security of the enterprise with evidence-based norms, level of use of evidence-based norms, level of performance of norms, degree of tension of norms, efficiency of use of evidence-based norms.

Section V. Compensation at the enterprise (firm), its main forms and systems

5.1. Bases of the organization and regulations of compensation in Russia

What is represented by the salary as economic category?

Important means of increase in labor productivity, growth of cultural technological level of shots, their regulations on branches of the national economy and on regions of the country the correct organization of the salary is. Any work has to be paid. But the businessman not only the fact of compensation worries, it work, its quality and productivity worries.

It is impossible to pay just for stay in a workplace, it is impossible to allow also idle time of workers because of suppliers or carelessness of managing directors, it is necessary to react positively to conscientious work.

Level of compensation depends on a financial possibility of the enterprise.

The concept "salary" is applicable to category employed and earning for the work a reward in the form of the salary in advance stipulated size.

Therefore, on the one hand, the salary is an element of income of the hired worker, a form of realization of the property right to the work resource belonging to it. On the other hand, in relation to the employer the salary is a payment for the bought work resource used by it as one of production factors, one of elements of costs of production. The hired worker is interested to sell the work at higher price, and the employer is interested to buy it a resource as it is possible cheaper. Contradictions of the main subjects are resolved in the market of human resources by formation of demand from employers for the known number of work with certain qualitative characteristics and offers from carriers of this resource, as gives rise to the market price of unit of these goods.

Market price of unit of these goods is the rate of the salary caused in the contract according to certain vocational characteristics of work. It, as a rule, defines a reproduction minimum and is formed on the basis of the developed level of compensation of this quality, level of consumption of this social group. This part of the salary should be considered as the main, defining. Besides, the structure of

the salary joins its variable part (an award, extra charges, price-work extra earnings). Also other income owing to the fact that the worker works at this enterprise (financial support, payment of food, permits, etc.) can join. In total all these three components also form the labor income of the worker, but the salary rate is defining.

In market conditions market factors have an impact on the size of the salary:

1. The change of supply and demand in labor market depending on change of supply and demand on goods which are issued by means of this demand;
2. Usefulness of a resource, for the businessman;
3. Interchangeability of resources;
4. Change in price for consumer goods and services.

Also the size of the salary is influenced by non-market factors: state regulation of the salary (establishment of minimum wage, level of the guaranteed compensation surcharges, measures for regulation of employment and protection of domestic market, etc.).

The economic essence of the salary is shown in the functions which are carried out by it in the course of production, product sales at exchange and consumption.

In the conditions of development of the market relations allocate functions: measuring and distributive, stimulating, reproduction, resource razmestitelnyu.

It is necessary to distinguish nominal and the real wage.

The nominal salary is the sum of the money which is due to the worker.

The real wage represents the volume of goods and services which the worker is able to buy on the nominal salary.

The organization of the salary – construction, ensuring interrelation of quantity and quality of work with an amount of its payment. To provide an optimum ratio between the size of a labor contribution and the received sum of money, the organization of the salary has to include three necessary elements:

- mechanism of assessment of quality of work and conditions of work (tariff systems, contractual arrangements, etc.);
- the mechanism of assessment of necessary labor input in this workplace or rated result of the work which is a condition of receiving remuneration (norm of work, rated tasks and so forth);
- the mechanism of establishment of dependence between a labor contribution, its efficiency, quality of work, a measure of

participation in collective income, the sum of the paid money (forms and the systems of compensation).

Many-sided economic content of category of the salary causes the scientifically based principles of its organization and planning. Treat their number:

- increase in the real wage in process of growth of production efficiency and work;
- ensuring the advancing growth rates of labor productivity over growth rates of the average salary;
- differentiation of the salary in dependence of a labor contribution of the worker to results of activity of the enterprise, contents and working conditions, regional arrangement the enterprise, its branch accessory;
- prevention of discrimination in compensation on a sex, age, nationality, etc., adequate assessment of identical work through its payment;
- state regulation of the salary;
- accounting of impact of labor market;
- simplicity, logicity and availability of forms and systems of compensation that provides broad knowledge of essence of systems of the salary.

5.2. Tariff system of compensation and its basic elements

Tariff system – set of the norms and standards providing differentiation of compensation proceeding from differences in complexity of the performed works and working conditions, intensity and the nature of work. It consists of the following basic elements: tariff and qualification reference books, scales of charges, the tariff rates of the first category, regional coefficients to the salary, surcharges to the tariff rates and extra charges for deviations from normal working conditions.

In Russia the uniform tariff and qualification reference book of works and professions of working (ETKS), qualification reference books of positions of heads, experts and serving (KSD) of manufacturing industries, the qualification reference book of positions of employees of the budgetary sphere works.

ETKS serves for definition of categories of works and workers. In the majority of industries of work are subdivided into six categories, in some industries – into eight.

By means of ETKS the problem of a soizmereniye of various types of works on degree of their complexity, and, therefore, and on skill level is solved. Tariff and qualification reference books provide application of the tariff rates of the first category and scales of charges.

The tariff rates are the absolute amount of compensation expressed in cash in unit of working hours. They determine the compensation level as the worker's earnings first of all depend on the size of the tariff rate of the 1st category which pays off from the established minimum wage and duration of working hours.

The tariff rate of the worker of the corresponding qualification (Tst) is determined by a formula

$$T_{st.i} = T_{st} \cdot k_{mi}$$

where T_{st} – the tariff rate of the 1st category;

k_{mi} – tariff coefficient of i-go of the category.

The tariff rate of the 1st category can be hour, day, and monthly. The monthly tariff rate of the 1st category is established in the Uniform tariff system of compensation of employees of the institutions, organizations and enterprises which are on the budgetary financing (UTS) now and there cannot be a lower than a minimum wage established in a legislative order.

The enterprises define the tariff rates of 1 category and official salaries of heads, experts, technical performers which cannot be less calculated on the minimum wage.

Scales of charges on compensation – the instrument of differentiation of compensation depending on its complexity for various groups of workers – include the number of categories and tariff coefficients corresponding to them.

	Ferrous metallurgy, power, mechanical engineering					
Tariff category	1	2	3	4	5	6
Tariff coefficient	1	1.2	1.4	1.6	1.8	2
Tariff coefficient	1	1.13	1.29	1.48	1.71	2

By way of exception the digit scale of charges can be used the 8th.

Upon transition of the enterprise to use of the Uniform scale of charges of the budgetary sphere for workers the first 8 categories of this grid remain. Through tariff coefficients increase of sizes of salary

according to complexity of works is considered, and through tariff categories the complexity of work on professions of workers is considered. And the amount of increase can be under construction proceeding from the uniform and progressive sizes.

The ratio between tariff coefficients of extreme categories is called grid range. UTS given above is characterized with a range of 1:2 and 1:1.8.

The scale of charges is under construction so that to provide digit-by-digit increase of tariff coefficients both in absolute, and in relative expression.

The following element of a tariff system – a form and the system of the salary.

With their help communication between the actual results of work and its payment is carried out.

The enterprises independently choose compensation forms for the workers.

5.3. Price-work and time forms of compensation

The time form of compensation assumes that the main wage is charged proceeding from the qualification level of the worker and hours worked.

The price-work form of compensation is a payment for quantity of the developed products in unit of time at the established tariff rates and performance standards (time).

Let's consider in more detail the above.

Time wage of work

Time wage of work is applied where it is economically inexpedient to normalize and consider in details results of work where productivity is defined by the accepted technological mode.

Distinguish the following kinds of a time form of compensation:

- simple time;
- time and bonus;
- okladny;
- contract.

The wage at a simple time system is charged at the tariff rate of the worker of this category for actually hours worked. The hour, day, monthly tariff rate can be established.

The salary of the worker in a month ($Z_{p.the m}$) at the established hour tariff rate of the worker of this category (TSch) is determined by a formula:

$$Zp_m = TSch \cdot BSF,$$

where the BSF is actually fulfilled number of hours in a month.

The salary of the worker in a month at the day tariff rate is defined similarly.

At monthly payment payroll calculation is performed, proceeding from firm monthly salaries (rates), number of the working days, actually fulfilled workers in this month and also the planned number of the working days according to the schedule of work for this month.

The time and bonus system of compensation represents a combination of simple time wage of work to awarding for performance of quantitative and quality indicators under special regulations on awarding of workers.

$$Zpl = TSch \cdot BSF + P$$

At an okladny system compensation is made not at the tariff rates, and on the established monthly official salaries. The system of official salaries is used for heads, experts and employees. An official monthly salary – the absolute amount of the salary established according to a post. The Okladny system compensation can provide awarding elements for quantitative and quality indicators.

Compensation of heads of the state enterprises has to make a reservation in the employment contract (contract) therefore it received the name of contract.

In the conditions of the market approaches for payment of work essentially change: not only expenses, and results of work are paid, profit becomes the highest criterion for evaluation of quantity and quality of work and the main source of personal income of employees of the enterprises of any legal forms.

Price-work form of compensation.

The price-work form of compensation is a payment for quantity of the developed products in unit of time at the established tariff rates and performance standards (time). It is expedient to apply it at works where accounting of work of individual or collective and its end result in natural measuring instruments is possible; reasonable standards of work are developed; opportunities for overfulfillment of norms without violation of technological process are created; there is an accurate

organization of service of jobs excluding idle times of the worker; there is a high-quality and modern technical training of production.

Depending on features and technical and organizational conditions and tasks solved on this production site and also methods of charge the following systems of a price-work form of compensation are applied: straight line individual price-work; price-work and progressive; price-work and bonus; indirect price-work; accord. On subject to charge the price-work form of compensation is subdivided into individual and collective systems.

The direct individual price-work salary is defined by quantity of the manufactured products and a quotation for its unit, proceeding from the tariff rate corresponding to the category of work and from norm of time or performance standard.

$$Z_s = P \cdot VPF$$

The price-work quotation is determined by a formula:

$$P = \frac{TC_{\text{ч(сМ)}}}{H_{\text{вып-час(сМ)}}}; \text{ or } P = TC \cdot Nvr$$

P – quotation per unit of output;

VPF – the actual quantity of the manufactured products;

Tschas_(сМ) – the tariff rate of the working corresponding category (hour or replaceable);

Nvyr – performance standard of products in hour or change;

Nvr – norm of time of production of a unit of production.

The price-work and bonus system of the salary assumes formation of earnings of the pieceworker on the basis of payment on direct price-work quotations and award sizes (the stimulating surcharges) for performance of quantitative and quality indicators.

The price-work and progressive system of compensation provides payment of the manufactured products within norms on direct price-work quotations, and payment of products over norms – on raised. Extent of increase is regulated by a special scale in which the percent of increase in the main quotation depending on overfulfillment of initial base is specified.

$$Z_{s, \text{item}} = I_s \cdot \text{RUNWAY} + R_{\text{prog}} \cdot \square V P$$

where the RUNWAY – quantity of the manufactured products within the plan;

$\square VP$ – quantity of the manufactured products in excess of the plan;

$$\square VP = VPF - V_{ppl}$$

Rprog – a quotation progressive.

The indirect and price-work system of compensation is used for some categories of the auxiliary workers who are not creating directly products, but serving the main workers-pieceworkers. They receive the salary on the price-work quotations established per unit of output, made by the main wor

king pieceworkers:

$$Z_k = R_k \cdot VPF$$

VPF – quantity of the manufactured products the main workers

$$P_{\kappa} = \frac{TC_{\text{г.п.}}}{H_{\text{вып(осн раб)}}} \text{ or } R_k = CU \cdot N_{vr}$$

TSV_{river} – the tariff rate of the auxiliary working corresponding category (hour or replaceable).

N_{vr} , N_{vyr} – norm of time (development) of products of the main worker in hour or change.

The accord system which is, as a rule, a collective form of payment is applied when it is necessary to enhance material interest of workers in reduction of terms of performance of work, commissioning of the objects. For this purpose the fund of payment on all amount of works is established. Monthly working the advance payment is paid, and final calculation is made after commissioning of the object.

At the collective price-work system of compensation earnings of each worker are put into dependence on the end results of work of all crew, the site, etc.

Compensation of workers at this system can be made or with application of individual price-work quotations (formula 1), or on the basis of the quotations established for crew in general, i.e. a collective quotation (formula 2):

$$Z_{ind} = R_{ind} \cdot VPF_{(br)} \quad (1)$$

$$P = \frac{TC}{H_{вып(бр)}}$$

VPF – the actual quantity of the manufactured products crew;

Nvyr – performance standard brigade hour or replaceable

The CU is the tariff rate of the specific worker (hour or replaceable), rub.

$$Z_{br} = R_{kol} \cdot VPF_{(br)} \quad (2)$$

$$P_{кол} = \frac{\sum TC}{H_{вып(бр)}}$$

Zbr – collective earnings;

∑TS – the sum of the tariff rates of members of crew (hour or replaceable).

Collective earnings are distributed between certain workers taking into account a contribution of everyone to results of work.

There are several methods of calculation of individual earnings, through Individual Performance Factor of each worker; in the fulfilled tarifo-hours each worker, etc.

Examples of the solution of tasks:

Task 1

To calculate the monthly salary of the working IV category at price-work and progressive payment. Performance standard in change (8 h) – 150 products. Number of the working days in a month – 23. Following the results of in a month the performance standard is exceeded for 35%. Coefficient of increase in price-work quotations – 1.75. The hour tariff rate of the worker-pieceworker – 9 rubles.

It is given:

NVYR = 150 pieces / change

Tsm = 8 h

TEF = 23

VF=1.35·VN

To =1.75

CU = 9 rub/h

Decision

ZPSD.PROG. = P · BH + (VF - BH) · P ·

TO

1. Price-work quotation.

$$P = \frac{TC_{CM}}{H_{вып}} = \frac{9 \cdot 8}{150} = 0,48 \text{ руб. / ум.}$$

2. Release:

- on norm: VN=NVYR·TEF = 150·23=3450 pieces.
- actually: VF=1,35·VN=1,35·3450=4657sht.

3. Salary.

$$\text{ZPSD.PROG.} = 0,48 \cdot 3450 + (4657 - 3450) \cdot 0,48 \cdot 1,75 = 2669,88$$

rub.

Task 2

The worker of the V category (the hour tariff rate of 8 rubles) serves 10 machines, from them 6 machines on which details with norm of time of 10 minutes, and 4 machines on which details with norm of time of 12 minutes are processed are processed. To define the salary of the worker in a month (176 hours) at indirectly price-work form of compensation.

It is given:

CU of =8 rub/h

m=10

n1=6

n2=4

HBP6=10 min.

HBP4=12 min.

TEF=176 of the h

Decision

$$\text{ZPKOSV.SD.} = \sum_{j=1}^n P_{Kj} \cdot B_{\phi j}$$

$$P_K = \frac{TC_{BC\Pi}}{\sum_{i=1}^n H_{BBIPi}}$$

1. Hour performance standard of the main workers:

- on 6 machines: $NVYR6 = n_1 \cdot \frac{60}{H_{BP6}} = 6 \cdot \frac{60}{10} = 36 \text{ dem./ч}$

- on 4 machines: $NVYR4 = n_2 \cdot \frac{60}{H_{BP4}} = 4 \cdot \frac{60}{12} = 20 \text{ dem./ч}$

2. It is actually released in a month:

- on 6 machines: $VF6 = NVYR6 \cdot TEF = 36 \cdot 176 = 6336$ is put.

- on 4 machines: $VF4 = NVYR4 \cdot TEF = 20 \cdot 176 = 3520$ is put.

3. Indirect and price-work quotation.

- on 6 machines:

$$P_{K6} = \frac{TC_{BC\Pi} \cdot n_1}{H_{BBIP6} \cdot m} = \frac{8 \cdot 6}{36 \cdot 10} = 0,1333 \text{ руб./ dem.}$$

- on 4 machines:

$$P_{K4} = \frac{TC_{BC\Pi} \cdot n_2}{H_{BBIP4} \cdot m} = \frac{8 \cdot 4}{20 \cdot 10} = 0,16 \text{ руб./ dem.}$$

4. Salary of the auxiliary worker.

$$\text{Rub ZPKOSV.SD.} = 0,1333 \cdot 6336 + 0,16 \cdot 3520 = 1408,2$$

5.4. Calculation of wage fund

Wage fund is the sum of the money intended to payment within a year to employees of the enterprise. A fund of compensation is formed due to prime cost of products. Wage fund is calculated separately for each category of workers.

The Wage Fund (WF) includes:

- tariff fund (TF);
- payments of the stimulating character (VS);
- payments of the compensating character (VK);
- payment for not worked time (Fnepr).

$$PHOT = TF + BC + BK + FNEPR \quad (1)$$

The sums of tariff fund and payments of the stimulating and compensating character represent the main salary, and payment for not worked time - the additional salary.

The tariff fund includes the wage charged in proportion to hours worked at the tariff rates, salaries or price-work quotations.

At a time form of compensation calculation is made on a formula:

$$TF = CU \cdot OF \cdot TEF \cdot OF \cdot CHSP \quad (2)$$

where the CU is the day tariff rate of this category of workers (rub);

TEF – effective fund of working hours (days);

ChSP – list the number of this category of workers (people)

At a price-work form of compensation calculation is made on a formula:

$$TF = P \cdot VF \quad (3)$$

where P – a price-work quotation (rub / nat. unit);

VF – production for the settlement period in physical units of measurement.

Payments of the stimulating character include:

- awards for production results;
- remunerations following the results of work in a year;
- extra charges to the tariff rates and salaries for professional skill;
- remuneration for long service.

These payments are defined by the enterprise independently and are made within the available means.

Payments of the compensating character are connected with an operating mode and working conditions. They include:

- surcharge for work in areas with severe climatic conditions;

- surcharge for harmful or difficult working conditions;
- surcharge for work at night;
- surcharge for work in the multiple-shift mode (evening and night time);
- surcharge for work in holidays.

These payments are defined by the enterprise independently, but it is not lower than the sizes, established by the legislation. They are obligatory for the enterprises of all legal forms.

Surcharge for work (DN) is made at night of 40% of the hour tariff rate in each hour fulfilled at night (from 22⁰⁰ to 6⁰⁰):

$$DN = 0.4 \cdot T_{SCH} \cdot OF \cdot TON \cdot OF \cdot CHSP \quad (4)$$

where TON – a work number of hours at night (h).

The shift which not less than a half of duration falls on night time of day is called night. Surcharge for work during a night shift is made for all business hours including going beyond the determined night time. For example, if the night shift begins at 12 o'clock in the morning and comes to an end at 8 o'clock in the morning, then surcharge of 40% is made for all 8 business hours though time from 6 to 8 o'clock in the morning is not considered night.

At a three-shift operating mode of production (lasting change of 8 hours) surcharge for work makes 13.33% of tariff fund at night (i.e. taking into account that night time is a third of effective time):

$$D_{H(3)} = 0,4 \cdot TC_{\Phi} \cdot \frac{T_{\Phi}}{3} \cdot \chi_{CII} = \frac{0,4}{3} \cdot T_{\Phi} = 0,1333 T_{\Phi} \text{ или } 13,33\% \quad (5)$$

At a four-replaceable operating mode of production (lasting change of 6 hours) surcharge for work makes 10% of tariff fund (40:4=10) at night.

During the work in two changes for eight hours surcharge pays in two night hours (from 22 to 24 o'clock⁰⁰⁰⁰) and makes 5% of tariff fund (40:8=5).

Surcharge for work (DV) takes in the evening place only at a multiple-shift (round-the-clock) operating mode of production and pays of 20% of the hour tariff rate for each hour fulfilled in the evening (i.e. for the change previous night).

$$D_B = 0,2 \cdot TC_{\Phi} \cdot T_B \cdot \chi_{CII} \quad (6)$$

where TV – a work number of hours in the evening (h).

At a three-shift operating mode of production surcharge for work makes 6.67% of tariff fund (20:3=6.67) in the evening. At a four-replaceable operating mode of production – 5% of tariff fund (20:4=5).

Surcharge for work in holidays (DPR) is made at a rate of the day tariff rate or a price-work quotation. This surcharge takes place at the round-the-clock operating mode of production and makes at 12 holidays in a year 3.28% of tariff fund.

$$\begin{aligned} D_{\text{ПР}} &= T_{\text{ПР}} \cdot TC \cdot \chi_{\text{ЯВ.СВТ.}} = T_{\text{ПР}} \cdot TC \cdot \frac{\chi_{\text{СП}} \cdot T_{\text{ЭФ}}}{T_{\text{К}}} = \\ &= \frac{T_{\text{ПР}}}{T_{\text{К}}} \cdot T\Phi = \frac{12}{365} T\Phi = 0,0328 T\Phi \text{ или } 3,28\% \text{ от } T\Phi \end{aligned} \quad (7)$$

Payment for not worked time includes:

- payment of educational and another holidays;
- payment of days of performance of the state duties.

Payment for not worked time is calculated on the basis of daily average earnings and the number of days of a holiday and performance of the state duties provided in balance of working hours:

$$\text{FNEPR} = \text{ZSR} \cdot \text{TON TNEPR CHSP (8)TNEPR CHSP (8)}$$

where ZSR.DN - the daily average salary (rub);

TNEPR - the number of unfinished days (a holiday, state duties).

The daily average salary is calculated by a formula:

$$Z_{\text{СР.ДН}} = \frac{T\Phi + B_{\text{С}} + B_{\text{К}}}{T_{\text{ЭФ}} \cdot \chi_{\text{СП}}} \quad (9)$$

Important indicator is the average annual salary of workers which is determined by a formula:

$$Z_{\text{СР.ГОД}} = \frac{\Phi O T}{\chi_{\text{СП}}} \quad (10)$$

Section VI. Labor productivity and value of its increase

6.1. Basic concepts of labor productivity

The labor productivity characterizes efficiency of work of workers. It is an indicator of cost efficiency of work of workers which is defined by the relation of quantity of the made products (services) to labor input. The concept of efficiency of work which includes, except economic aspect, psychological and social aspects is closely connected with a concept of labor productivity.

At the heart of the indicator of labor productivity expressing cost efficiency of work the economic category which K. Marx called the productive force of work lies. The productive force of work is understood as a potential possibility of release of a certain quantity of products (works) in unit of directly spent working hours (without any breaks). From this it follows that if through the productive force of work labor potential is expressed, then the labor productivity measures the level of its use.

The concept of cost efficiency of work (labor productivity) is complemented with psychological efficiency of work. It is defined by impact of labor collective on a human body. From this point of view work which along with productivity ensures harmless sanitary and hygienic conditions and safety of its application can be recognized as effective; sufficient pithiness; a possibility of all-round development of physical, intellectual forces and abilities of the person in the course of work.

The cost efficiency of work (labor productivity) is complemented also with social efficiency of work. The concept of social efficiency includes harmony of personal development of each worker, expansion of its classification, a production profile, formation of positive social climate, strengthening of socio-political activity. Thus, the efficiency of work includes a concept of economic (labor productivity), psychological and social efficiency of work.

The increase in productivity of work means increase in effectiveness of work.

It is necessary to distinguish productivity of social and individual activities. Productivity of social activities is measured by

the relation of volume of national income to the number of the workers occupied in the sphere of production of goods.

$$ITT = \frac{ND}{H}, \text{ where}$$

ND-national income of the country for a certain period;

H – the number of workers.

Productivity of social activities most fully characterizes efficiency of labor expenses. However in practice of planning and account this indicator is used only for the national economy in general. For industries, associations and the enterprises the indicator of productivity of individual work is used (further "labour productivity").

The increase in labor productivity reached on the basis of economy of working hours leads to increase in the output, decrease in product cost, increase in the amount of profit, profitability level, growth of national income. In addition, increase in labor productivity is followed by changes of the nature of work, improvements of its conditions and creates prerequisites for reduction of duration of the working day, growth of level of the average salary. It allows to satisfy more fully not only material, but also cultural needs of workers, contributing of them to all-round development.

6.2. Methods of measurement of labor productivity

The complexity of determination of essence of labor productivity is shown also in a problem of measurement of this indicator. In practice various methods of measurement of labor productivity are used that gives rise to application of a system of indicators. Depending on the level at which the labor productivity is measured (the enterprise in general or its separate divisions), the tasks facing the enterprise these or those methods can be used.

There is a need of group of indicators of labor productivity on various signs, in particular on completeness of reflection of expenses and volume of products at their calculation.

At the enterprises the labor productivity is defined as efficiency of expenses only of live work and pays off through indicators of development and labor input of products between which there is an inversely proportional dependence.

Development (B) is quantity of the products made in unit of working hours or falling on one average worker or the worker for a certain period (hour, change, month, quarter, year). It pays off as the

relation of volume of the made products (VP) to costs of working hours of production of these products (T) or to the average number of workers or working (H):

$$B = \frac{BII}{T} \text{ or } B = \frac{BII}{\mathcal{U}}$$

Similarly also day (Vdn) development is defined on one worker hour (Vch):

$$B_v = \frac{BII_{mec}}{T_{\text{час}}} \text{ or } B_{\text{дн}} = \frac{BII_{mec}}{\mathcal{U}_{\text{дн}}}$$

Where Vpmes - products volume in a month (quarter, year);

Tchas, Tdn – quantity of man-hours, man-days (working hours) worked all workers in a month (quarter, year).

When calculating hour development of the fulfilled man-hours intra replaceable idle times therefore it most precisely characterizes performance level of live work are not included.

When calculating day development of the fulfilled man-days whole-day idle times and absences are not included.

Example:

The collector for eight-hour change collected 24 tire covers, and in 22 days – 528 pieces. Then development for an hour will make $24:8\text{час} = 3$ pieces for an hour, development day (replaceable) – $528:22 = 24$ pieces for change.

Depending on a way of measurement of volume of production distinguish three methods of definition of development: natural, cost and labor.

A variety of indicators of labor productivity is caused by opportunities of use of various options of calculation both numerator, and a denominator.

If the labor productivity is defined in relation to a workplace, crew, the site less often to the enterprise in general which turn out uniform products, then in this case the natural method for scoping of products is used (in pieces, tons, m², etc.). It is simple, available, evident, reliable, however is practically applied as an exception, but did not govern. A kind of natural – a conditional and natural method of measurement of labor productivity. At this method different types of products are equated to one (prevailing). Coefficients of reduction pay off on relative labor input.

When in workplaces, in crews the various and often changing products are made, the volume of products and development are

determined in labor measurement, i.e. use a labor method of calculation of labor productivity. The volume of products is measured in invariable normo-hours (the volume of products is multiplied by norm of time for production of a unit of production). Such method of measurement of labor productivity is possible only in certain workplaces, sites, but not on the enterprise in general. Besides, norms of time are often revised, they are not always rather proved, ravnonapryazhenna that does not promote objective assessment of dynamics and labor productivity level.

Generally at the level of the enterprise and its large divisions the method of measurement of labor productivity is applied cost (the name of a method is connected with use of the prices as soizmeritely products of different function). At this method volumes of production are measured by indicators of the gross, commodity, sold output depending on a scope of this indicator. Measurement of labor productivity by a cost method has universal character. However this method has an essential shortcoming. As the aspiration to ensuring growth of an indicator of development, economically encourages to release of more material-intensive production, use of more expensive of raw materials and materials, insufficiently objectively reflects a labor contribution of this work collective.

For the purpose of obtaining more authentic data on labor productivity of the enterprise apply an indicator of net production which is defined:

$ChP=VP-M$ or conditional net production of $UChP=VP-(M + A)$

Where M are material inputs of the enterprise on production, rub/year.

And – depreciation charges, rub/year.

The labor input (T_r) represents costs of live work of production of a unit of production. She establishes direct dependence between the output and labor expenses and is determined by a formula:

$$T_p = \frac{T}{BII},$$

where T – time spent for production of all products, normo-h, cheloveko-h;

$$T = Chppp \cdot T_{eff},$$

VP – the volume of the made products in kind.

Distinguish technological labor input, labor input of service of production, production labor input, labor input of production management and full labor input.

The technological labor input (Ttekhn) reflects labor input of the main production workers-pieceworkers (Tsd) and workers-povremenshchikov (Tpovr):

$$Ttekhn = Tsd + Tpoivr$$

The labor input of service of production (Tobsl) represents set of expenses of non-productive working departments of the main production (Tvsp) and all working non-productive departments and services (repair, power, etc.) occupied with service of production (Tvsp):

$$Tobsl = Tvsp + Tvsp$$

The production labor input (Russian Labour Party) includes labor input of all workers as the main, and auxiliary:

$$\text{Russian Labour Party} = Ttekhn + Tobsl$$

The labor input of production management (Tu) represents labor input (heads, experts, technical performers) occupied as in the producing and non-productive departments (Tsl_{the ave.}), and in manufacturing services of the enterprise (Tsl_{manager}):

$$Tu = Tsl_{ave.} + Tsl_{manager}$$

As a part of full labor input (Tpoln) labor input of all categories of industrial and production personnel of the enterprise is reflected:

$$Tpoln = Ttekhn + Tobsl + Tu$$

Depending on character and purpose of labor input each of the specified indicators of labor input can be design, perspective, standard, planned and actual.

The indicator of labor input has some advantage before a development indicator:

first, it reflects direct link between the output and labor costs;

secondly, it allows to compare costs of identical products in different shops and sites of the enterprise.

It must be kept in mind that between indicators of development and labor input there is inverse relation.

With increase in development of products in unit of working hours the labor input of products is reduced, however percent of increase in development and decrease in labor input are not identical.

The dependence between them is expressed by formulas:

$$a = \frac{100a}{100-b}; \quad b = \frac{100a}{100+b},$$

where – an – increase in development in %

b – decrease in labor input in %.

Example: The plant on production of soot within a year has to develop according to the plan of 30000 tons of soot. Releasing the price for 1 t of soot 250 rub. Planned number of industrial and production personnel of the plant of 325 people. The general working hours which have to be fulfilled by all industrial and production personnel, 79500 persons days or 556500 persons - h.

To define:

1. a planned target of labor productivity one working in a year in natural and monetary value;

2. planned factory labor input of production of 1 t of soot;

Decision:

1. We define average annual development on one working in planning period:

a) in kind: $\frac{30000}{325} = 92,3 \text{ t};$

b) in terms of money: $\frac{30000 \cdot 250}{325} = 2308 \text{ rub.}$

2. We define planned factory labor input of production of 1 t of soot:

79500: 30000 = 2.65 persons day;

556500: 30000 = 18.5chel-h.

Indicators of development in itself or labor input do not allow to judge overall performance of the enterprise or industry.

For the analysis of results of work it is necessary to compare labor productivity levels, to reveal changes in comparison with the last period, with the similar enterprises of competitors, i.e. to investigate dynamics of labor productivity.

Studying of dynamics of labor productivity is carried out by means of indexes. The index of labor productivity represents the relation of labor productivity levels of two periods (or two objects); current which is analyzed, to basic, taken for a standard. Level of the current period can be various depending on an objective; planned – at the time of scheduling, actual at assessment of implementation of the plan. As the basic period it is possible to adopt the plan at assessment of its performance, the last period at assessment of growth rates.

The index of labor productivity can be counted, applying natural, cost or labor indexes of development

$$I_{\text{лп}} = \frac{\text{лп}_a}{\text{лп}_b}, \text{ where}$$

IPT – the index of labor productivity for the analyzed period;
 PTA – labor productivity for the analyzed period;
 PTB – labor productivity for the basic period.

The index of labor productivity is counted on the basis of an indicator of development or labor input. At the same time the main method of creation of the index of labor productivity is the method of comparison of development in the comparable prices.

Change of labor productivity can be estimated as a percentage

$$IPT = \frac{IPT_a - IPT_b}{IPT_b} \cdot 100\% \text{ or } PT = (Ipt-1) \cdot 100\%$$

Gain of labor productivity for a certain period

$$\text{or } IPT = \frac{IPT_a}{IPT_b} \cdot 100\% - \text{increase in productivity of work for the}$$

same period of time

The average annual index of labor productivity pays off

$$I_{IPT} = \sqrt[n]{IPT}, \text{ where}$$

IPT – the index for n of years.

Example:

In 5 years the increase in productivity of work for 25% is provided. To define average annual growth rates of labor productivity.

1. Let's define Ipt in 5 years, for this purpose

$$I_{IPT} = \frac{IPT_a}{IPT_b} \cdot 100\% = \frac{125\%}{100\%} = 1,25, \text{ we take } 100\% \text{ for basic}$$

Average annual index: $= \sqrt[5]{1,25} = 1,0485$, then

gain of labor productivity

$$PT = \% (IPT-1) \cdot 100 = (1.0485-1) \cdot 100 = 4.85\%$$

6.3. The factors influencing change labor productivity

The labor productivity indicator dynamic, changes under the influence of a set of factors.

The factor states the reasons causing changes of labor productivity.

In relation to the enterprise factors can be subdivided into internal and external.

Carry the reasons which are not depending on the enterprise to external factors: the changes of the range and the product range according to demand in the market leading to change and labor input;

social and economic conditions in society; reliability of partners regarding logistics, etc.

Internal factors – all those which depend on collective and its heads.

According to the internal contents and essence all factors can be united in three groups: material, organizational and social and economic.

Increase fondo-and installed power per employee of work on the basis of scientific and technical progress belongs to material factors: mechanization and automation of productions; increases in single capacities of machines and equipment; electrification and chemicalization of production; deepenings of specialization of machines and equipment; creations of new technologies.

All material factors increase labor productivity and reduce labor input of products.

Treat organizational factors of increase in productivity of work the organization of production, work and management.

In the organization of production specialization of the enterprise, the organization of logistics, corrective maintenance is of great importance; improvement of organizational technical training of production.

The organization of work is closely connected with the organization of production and includes rational division and labor cooperation between separate groups working and certain workers; organization and service of jobs; improvement of working conditions; preparation and retraining of personnel; strengthening of labor discipline; work rationing improvement. Also introduction of modern forms of the organization (contract, brigade, rent) and work incentives at the level of internal divisions is of great importance.

The organization of production management includes: creation of effective organizational structure of administrative shots; their vocational training.

Socio-economic factor. Interest in achievement defined result which gives the chance of satisfaction of both material, and spiritual needs of workers can be the driving force of work.

The most important components of socio-economic factors:

- material and moral interest in results of both personal, and collective work;
- skill level, professional skill;
- relation to work, labor discipline;

- change of forms of ownership on property of the enterprises and on results of work;
- democratization of commercial and public life and development of self-government.

Reserves of increase in productivity of work are a possibility of fuller use of all factors of its increase. Reserves are connected with factors of increase in productivity of work. First of all allocate reserves of the best use of live work and reserves of improvement of use of the fixed and current assets which lead to increase in labor productivity.

Increasing output it is possible to analyse for the account what factors the share of gain of the output is reached. As a rule, there can be two factors intensive, connected with increase in productivity of work and not demanding considerable material inputs, and extensive which provides involvement in production additional human resources. For calculation the following formulas are used:

$$\Delta B\Pi = B\Pi_a - B\Pi_o$$

$$\Delta B\Pi_{ITT} = (ITT_a - ITT_o) \cdot \varphi_a,$$

$$\text{or } \Delta B\Pi_{ITT} = \Delta ITT \cdot \varphi_a, \text{ rub.}$$

$$\Delta B\Pi_q = (\varphi_a - \varphi_o) \cdot ITT_o, \text{ rub, where}$$

$\Delta B\Pi_{ITT}$, $\Delta B\Pi_q$ – gain of output due to increase in productivity of work, increase in human resources;

PTA, PTB – labor productivity in the analyzed and basic periods;

Cha, Chb – number the analyzed and basic periods working in.

Economy of human resources is calculated by a formula:

$$\vartheta = \frac{B\Pi_a}{ITT_o} - \varphi_a \text{ or } \vartheta = \frac{B\Pi_a}{ITT_o} - \frac{B\Pi_a}{ITT_a}$$

this calculation allows to judge efficiency of use of human resources of the enterprise.

Example of the solution of a task:

Task

In basic year volume of production was 18 million rubles, and in planned year is planned of 19.8 million rubles, at simultaneous increase in labor productivity by 8%.

To determine the absolute size and relative size of gain of the output, provided due to increase in productivity of work and number of working.

Decision:

1. We define the index of number:

$$I_q = \frac{I_e}{I_{nm}} = \frac{1,1}{1,08} = 1,019$$

$$I_e = \frac{19,8}{18,0} = 1,1$$

$$I_{nm} = \frac{100+8}{100} = 1,08$$

The index of number equal 1.019 says that number working in planned year increased by 1.019% in comparison with basic year.

2. Let's determine the relative size of gain of the output at the expense of number and labor productivity of working:

$$\Delta B_q \% = \frac{1,019-1}{1,1-1} \cdot 100 = 19\%$$

$$\Delta B_{nm} \% = \frac{1,1-1,089}{1,1-1} \cdot 100 = 81\%$$

Check: $\Delta B = \Delta B_q + \Delta B_{nm} = 19 + 81 = 100\%$

3. An absolute share of gain of the output at the expense of number and labor productivity of working:

$$\Delta B_q = \frac{81}{100} \cdot \Delta B = \frac{81}{100} \cdot 1,8 = 1,458 \text{ млн. руб.}$$

где

$$\Delta B = B_{nl} - B_{\sigma} = 19,8 - 18 = 1,8 \text{ млн. руб.}$$

$$\Delta B_{nm} = \frac{19}{100} \cdot B = \frac{19}{100} \cdot 1,8 = 0,342 \text{ млн. руб.}$$

Section VII. Management motivation of work of personnel

7.1. Motivation of work and formation of the attitude towards him

The steady increase in productivity of work in agriculture cannot achieve without creation of the effective mechanism of motivation. When developing this mechanism it is necessary besides general conditions of the market to consider the features peculiar to agrarian production. Besides, the system of motivation has to consider and features of the concrete organization agrarian and industrial complex.

The motivation of work is a set of the internal and external driving forces inducing the person to work and giving to this activity the orientation focused on achievement of definite purposes. The labor motivation can be presented as the difficult psychological phenomenon defining behavior of the person in the course of work.

The concept "motivation of work" includes a package of measures, the physical, intellectual and moral and psychological efforts of the person directed to activization inducing it to satisfy the constantly increasing material and spiritual needs as a result of work. There are two senses of the concept "motivation". On the one hand, the motivation is considered as the system of the external influences designed to induce the person to work with high return. Each organization uses the most various incentives concerning personnel: the salary, material and moral encouragement, the status, expecting at the same time that workers in reply will diligently work. This system includes also a set of negative incentives and punishments: penalties, demerit, demotion, etc. On the other hand, the motivation is considered as the internal motives proceeding from the person as desire, the aspiration to work with high return, interest in results of work.

The motivation of work should be considered not as a narrow complex of the economic and organizational components connected only with formation of the salary (as it was before), and is wider and fuller, in a system as a component of the organizational and economic and social mechanism of functioning of this or that organization.

Effective activity of any organization, accumulation of its competitive advantages are impossible without strengthening of labor motivation of personnel and use of new forms of work incentives. The labor motivation is shown in three interconnected and interpenetrating states:

- interest in the end results of work;
- satisfaction with work;
- degree of commitment of the employee of the organization, to its purposes and interests.

Numerous polls allowed to make the list of the most often mentioned requirements which aspiration to satisfaction forms motivation of work: worthy compensation; its good conditions; career prospects; a favorable microclimate in collective; equal relationship with the management; interesting work; opportunities for manifestation of an initiative and independence; opportunities for training and professional development; employment security, sufficient level social protection.

Each head of the organization has to seek for effective use of resource potential for achievement of high level of competitiveness of the made agricultural products or the rendered services. Achievement of this purpose is promoted in many respects by the mechanism of motivation of work, on the one hand, directed to cost reduction and increase in production efficiency, with another – the providing high level of material interest of workers and satisfactions with work.

Businessmen and workers have objectively different interests. If the organization aspires to high profits and low costs of personnel, and workers want to receive higher salary, contradictions become obvious. It is yet not the conflict but only the soil for it, and it is necessary to reckon with it. Art of management consists in ability to reach compromise between the interests of various groups. How successfully it turns out the motivation of workers shows. One of the main objectives of management of the organization – creation of such microclimate, such situation at which it would be in every sense favorable to person to work is good and unprofitable to work badly.

Level of the salary influences a major factor of success of any agricultural producer – through satisfaction of the worker on his motivation. That is why first of all through the salary it is possible and it is necessary to solve a part of social problems of rural areas.

The difficult situation, but without ensuring worthy level of the salary to make active motivation of work of the effective indicators of

economic activity of the organization working for achievement, at the same time at the same time it is almost impossible to attract and hold highly professional workers. It is proved also by practice of employment of young specialists. It should be noted that most of workers in agriculture are dissatisfied with the salary. At the same time many organizations cannot provide the high level of the salary. The vicious circle results.

Correctly built system of motivation of personnel brings up other relation for payment of work at which the point of view of employees of the organization changes from a position "to me have to" on a position "I have to". Such approach provides the relation to the work as to goods and desire as it is possible to sell more favourably it. For this purpose the motivation of work has to be based on objective assessment of an individual labor contribution of workers, be supported with real compensation and also absence of debt on the salary.

It should be noted also such major factor significantly influencing motivation level as increase in prestige and appeal of agricultural work.

The problem of formation of the effective motivational mechanism adequate to an economic situation is always relevant, it quite difficult for any subject of managing, especially in the agrarian sphere of economy. At a skillful combination of various motives of motivation such mechanism allows to allow contradictions of interests of workers and employers for productive and high-quality work, promotes increase in efficiency of agrobusiness in general.

7.2. Satisfaction with work

Results of activity of any collective separately and the organizations in general in many respects depend on degree of satisfaction of personnel with work.

The satisfaction with work is a condition of balance of requirements imposed by the worker to the contents, character, conditions and remuneration for work and value judgment of opportunities of their realization.

The satisfaction with work is an estimated relation of the worker or group of workers to own work, its various aspects. It depends on many factors. Distinguish the general and partial satisfaction with work: the first characterizes satisfaction with work in general, and the second – only its various aspects.

There are several principles of a ratio between the general and partial satisfaction with work:

- the general satisfaction results from considerable overweight positive factors of negative;
- one of positive or negative factors turns out so considerable that defines the general satisfaction with work;
- there is a relative balance between positive and negative factors, the uncertainty situation results.

The majority of the factors influencing in a varying degree satisfaction with work – operated. It allows to conduct the corresponding researches in the course of which the satisfaction of personnel of the concrete organization is defined: contents and nature of professional activity; working conditions; work-rest schedule; system of material and non-material stimulation; opportunities of professional development and career development; efficiency of the organization of work and style of the management; by the labor relations, etc. Besides, it is necessary to determine the conducting factors in structure of a system of motivation, image of the organization in the opinion of workers and the attitude towards her.

For a research of degree of satisfaction with work of personnel of the organization the following main methods can be used: questioning, interview and testing.

Results of such research:

- information on satisfaction of personnel with various aspects of professional activity and in general work;
- information on major factors in structure of motivation of workers;
- the factors which are negatively influencing degree of satisfaction of personnel with work and loyalty of workers to the organization;
- recommendations about increase in satisfaction of personnel with work, etc.

The satisfaction with work is measured by a various set of indicators: pithiness of work; organization of work; working conditions; relations with fellow workers and social and psychological climate in general; work-rest schedule; salary; possibilities of professional and career development; technical and technological level of production; competitiveness of products; prestigiousness of the organization, etc.

Satisfaction with work – the powerful internal stimulus to work which is positively affecting quantitative and qualitative results of work. At the same time communication of satisfaction with work with results of work is not always rectilinear. Sometimes it is even contradictory – the worker can be satisfied with work, however at the same time works inefficiently and poor and vice versa.

One of the major factors significantly influencing satisfaction with work – its appeal. It is defined not only good working conditions, but also its pithiness which gives to the worker the chance to show the abilities, knowledge, experience, abilities. That work in the agrarian sector was prestigious, it is necessary first of all that the salary of workers was at least not lower, than on average in the country. The purpose of agrarian policy has to consist in ensuring high welfare of the peasantry which on this base will be able already to provide steady production of agricultural products.

7.3. Management of process of motivation of work

The problem of labor motivation in the agrarian sphere is of particular interest both in scientific research, and in practical activities. It is connected first of all with the fact that the importance of motivation of work as one of the major factors promoting increase in efficiency of functioning of the agricultural organizations and according to quality of labor life working in this sphere of economy increases in modern conditions of managing. Therefore, the labor motivation turns into object of management.

The problem of management of labor motivation of personnel is extremely significant for success of any agrobusiness. It is known that about 80% of workers can if you want, achieve considerably more good results of work therefore effective management of motivation of work opens new opportunities for increase in financial stability of subjects of managing.

However the motivational mechanism which developed in agrarian and industrial complex does not suit most of workers. This situation also causes need of scientific and practical search of new methods, forms and instruments of management of the motivational mechanism.

Rather full and at the same time accurate system of the economic, social and moral and psychological components which are closely coordinated among themselves which are stirring most up work of workers is the cornerstone of the mechanism of motivation of

agricultural work. Researches show that the policy of the salary of many organizations has insufficiently motivational character – the systems of compensation are poorly motivated, are limited on structure of a system of awarding, inadequate criteria for evaluation of work of personnel often dominate, insufficiently various forms of remuneration, etc. are used.

Creative approach to development of systems of remuneration for work, concentrated on those indicators of work most of which most of which affect efficiency of agricultural production is necessary for increase in efficiency of motivation of work of personnel.

Payment and motivation of work are closely interconnected: too the low wage demotivates workers; increase in motivation is promoted by association of material incentives with other forms of stimulation of productivity.

The mechanism of motivation of work has to be constructed so that it stimulated personnel to work, to productive and effective work. For this purpose the amount of the salary has to be we will proportion to benefit which is brought by the employee of the organization and to change depending on as far as his work in each paid interval of time was useful.

The motivating factor of effectiveness of work the salary becomes when it is connected with results of work. Workers have to be sure of existence of accurate interdependence. The completeness of motivation of workers is provided by establishment of the direct link between results of work and remuneration which is accurately reflecting an individual contribution to results of activity of the organization.

The efficiency of creation of a remuneration system depends on many factors. Not the last role is played here also by the procedural theories of motivation considering value of motivation in achievement of good results of work. Among them the theory of justice of J. Adams and the theory of expectation of Victor Vrum have the special importance.

The theory of justice considers motivation of the worker in terms of his assessment of the situation and the idea of justice of the relations between it and the organization developing at him in this regard.

Justice reasons in the field of compensation provide two aspects: internal and external. Internal justice means that each worker considers the salary fair in comparison with the level of

payment of other workers in the same organization. External justice is provided in case the salary of the employee of the organization is established at the level, not below, than in other organizations.

Thus, idea of justice is formed at the person on the basis of comparison. The worker compares:

- the labor potential, the work and the spent labor efforts with the earned reward;
- level of payment of the work how similar work is paid to other workers in this organization or in others;
- the labor contribution with a labor contribution of other workers, etc.

At the same time it is very important to understand that idea of justice – subjective, arising in consciousness of the worker: this his opinion, assessment or representation on assessment of own labor contribution.

Rather total assessment of such comparisons three options are possible: underpay; fair payment and overpayment. Workers, as a rule, seek to restore the broken balance in the relations with the organization or due to change of level of the spent efforts – to begin to work more or less intensively, raising or lowering quality of work, or trying to change the amount of the earned reward.

Realization of the principle of justice is promoted by surveys conducted in the organization. It is possible to find out the relation of workers to the remuneration system used in the organization, for example, by means of the following questions: as far as you are satisfied with payment of the work; what factors, in your opinion, influence determination of the amount of your salary; that does not suit you in the organization of compensation, etc.

That workers perceived the system of payment as fair, in the organization the following measures can be taken:

- constant tracking of a situation in labor market, especially payment level in other organizations of the agrarian sector of economy;
- identification in conversations with employees of the organization and through sociological polls of the factors reducing satisfaction of workers with the system of payment and work incentives operating in the organization (division);
- improvement of awareness of workers about what determines the level of payment of their work as the amount of encouragement pays off as the wage is charged;

- besides, each worker has to understand how he can affect the level of the received salary what it has possibilities of its increase in the short-term and long term;
- detection of possible injustice in payment of workers, distribution of encouragement, at the same time workers have to receive that encouragement which they deserved;
- introduction of practice of regular informing workers on key indicators of work of structural divisions for a certain period that they understood communication of own salary and overall performance of division better.

The theory of expectation is that the motivation is function of three components:

- expectation that labor efforts of the worker will result in desirable results;
- expectation that results will cause remuneration;
- expectation that the level of the earned reward will lead to satisfaction of the worker with work.

It is necessary for formation of high motivation:

- to accurately set the purposes before workers;
- to inspire confidence that they will earn a reward for the done work;
- to show, how exactly efforts and working results will be rewarded;
- to offer the most attractive types of remuneration as degree of their appeal can significantly differ for different workers.

7.4. The motivating influence of the organization of work

Integrated management of motivation begins at a stage of the organization of work of workers. The motivating impact on the worker is made not only by traditional stimulants, but also in what degree content of work and working conditions will be agreed on with requirements, installations and expectations of the worker. A spirit for work, interest in the end results, readiness to work with high return – the main manifestations of labor behavior reflecting the high level of motivation substantially depend on it. Boring and monotonous work does not cause in workers of special desire to give all the best, show an initiative or creative approach.

The motivation of work of workers is affected also by the organization of work in a workplace. In this regard the principles of the organization of work motivating work of workers did not lose

relevance (the developed G. Fordom, F. Gertsberg and other experimenters):

- labor actions, any work have to make sense, the public importance;

- the workplace should not generate indifference to work, disinterest in it, the worker should not be isolated in the organization;

- the administration has to create everyone such conditions in its workplace in which he would be able to show, what it is capable of, at the same time requirements to the worker should not be underestimated;

- results of work should not be depersonalized, have to be whenever possible nominal, that is work, the idea, offers always have to have the author, the administration cannot appropriate authorship;

- each worker has own point of view on how to improve work, its organization therefore the administration has to adjust collecting such offers and realize them in case of usefulness;

- the worker has to have an idea of the importance of the work therefore it is useful to remind periodically him of importance of its work and a role in common cause;

- everyone strives for success, success is the realized purposes therefore it is useful for worker to give the chance constantly to achieve success which needs to be noticed, emphasized and noted;

- success has to be followed by recognition and encouragement – material and moral;

- everyone works better if he obtains in time information which is necessary for work;

- all decisions on changes in work and in a workplace have to be accepted by administration of the organization with the consent of workers whom they mention, taking into account their knowledge and experience;

- everyone has to have information on assessment of the work, fair and efficient that it was possible to correct the labor behavior;

- it is expedient to worker to give the chance for self-checking: if results of work are obvious, interest in work considerably will increase;

- the majority seeks to acquire new knowledge in operating time, at the same time the overestimated requirements promote development of the person, are perceived with great interest, than underestimated, work not has to be primitive, at least, it is desirable that operations of different complexity alternated;

- if high-quality work is not rewarded, and leads only to the fact that the worker is loaded more and more ("the initiative is punishable"), at him interest in manifestation of an initiative vanishes;
- work has to give the chance to the worker most to organize the labor actions, to make decisions more often independently as only in this case he has a self-expression opportunity.

7.5. Motivational audit

Motivational audit – the tool allowing to operate noticeably and productively motivation of work by personnel. It is directed to definition of compliance of the system of stimulation operating in the organization to its strategic and tactical targets, motives and expectations of workers, costs of maintenance of its efficiency.

The purposes of motivational audit, its structure and duration depend on the purposes which are set before itself by the organization, request of the guide, a condition of labor market. At the same time both all personnel of the organization, and separate categories of workers can be affected.

Purposes of carrying out motivational audit:

- assessment of compliance of a system of motivation to the purposes of the organization;
- assessment of motivational potential of personnel;
- assessment of efficiency of the existing control system of motivation;
- definition of compliance of a control system of motivation to the Labor Code of the Russian Federation and other standard and legal documents on work;
- development of recommendations about improvement of a system of motivation;
- development of the system of stimulation of personnel under the new purposes of the organization;
- assessment of volumes of the resources demanded for change of a system of motivation;
- optimization of costs for management of motivation of personnel.

When carrying out motivational audit solve the following problems:

- estimate the current strategy of the organization in the field of motivation of personnel;
- estimate the system of motivation of personnel – analyze model of a system of stimulation on the basis of documentation, carry out diagnostics of a system of motivation;

- reveal areas of relevant and basic requirements, estimate the areas of a demotivating demanding expeditious correction;
- define compliance of the operating system of motivation of strategy of the organization in this area, to its purposes and motives of workers; costs of motivation – to the effect gained by the organization, skills of heads on management of motivation – to expectations of workers;
- make the recommendations about change of strategy, structure, procedures of motivation of personnel.

Increasing effective management of motivation of personnel, it is necessary to make sure that there is in this organization a system of motivation, and its separate parts do not contradict each other. It is for this purpose recommended to use technology of motivational audit in such sequence:

- specification of strategic and tactical targets of the organization, the used formalized and unformalized incentives, performing diagnostics of requirements and motives of various categories of workers;
- check of compliance of incentives to the purposes of the organization and to motives of workers, assessment of knowledge of workers of the system of motivation, a ratio of material and non-material incentives, specification of effect of use of negative and positive incentives, determination of effect of management of motivation in the ratio with expenses;
- development of the recommendation or program of change of the acting system of stimulation on the basis of structure of the revealed motives of workers and also increase in efficiency of the incentives applied in the organization.

For motivational audit the following methods of a research are recommended: the adjusting, expert, structured interviews; the analysis of the existing documentation; questioning and testing of personnel; statistical.

Results of motivational audit can be used in various spheres of human resource management:

- for improvement acting or developments of a new system of motivation of personnel and the program of its introduction for the purpose of obtaining the expected effect at the scheduled time;
- adaptations of the operating system of motivation to the changes which happened in labor market or in the field of strategic objectives of the organization.

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Practical work

Tasks are placed according to division of a training material according to heads. For example, the task 3.4 belongs to Chapter III and has serial but - died 4. At the end of a practical work answers to tasks are given.

Section I

Task 1.1. (about market balance). In the table values of demand L_d and offers of the work L_s at various rates of hourly payment of W are given.

W , dollars.	L_d , persons.	L_s , persons.
4	1000	400
5	900	500
6	800	600
7	700	700
9	500	800
12	300	900

It is required:

- a) to find an equilibrium rate of the salary and number of busy;
- b) to define what will happen to employment and total income occupied if employers agree to pay no more than 6 dollars an hour;
- c) a task, as in the item.

b), but salary will be for some reason 9 dollars an hour.

Task 1.2. (about market balance). To analyse a situation in labor market which parameters are set by the table and to answer the offered questions.

Rate of salary, W , dollars/hour	Demand for work, L_d , persons.	Offer of work, L_s , persons.	Payroll tax, dollars/hour.
7	40	60	2.1
5	45	60	1.5
4	50	60	1.2
3	60	60	0.9
2	65	60	0.6
1.5	70	60	0.45

It is required:

- a) to find an equilibrium rate of the salary and employment before introduction of a tax on the salary;
- b) to respond how 30% a payroll tax will affect, to employment and the wage level;
- c) to estimate as the situation will change if the employer, but not the hired worker begins to pay a tax;
- d) to answer what will change if the offer of work becomes elastic, but not as in the table.

Task 1.3. (about market balance). Competitive labor market is characterized by the following functions:

$$\text{Demand: } L_d = 230 - 40 \cdot W;$$

$$\text{Offer: } L_s = 100 + 25 \cdot W.$$

It is required:

- a) to find an equilibrium rate of the salary and employment;
- b) to estimate as will affect employment and total income working lips - a novleniye the state of an obligatory minimum of the salary in time - W measure = 2.5 dale. in an hour;
- c) to show the decision in the graph.

Task 1.4. (about market balance). In the small settlement of function of cumulative supply and demand are set by the equations:

$$\text{Demand: } L_d = 240 - 30 \cdot W;$$

$$\text{Offer: } L_s = -150 + 100 \cdot W.$$

It is required:

- a) to find an equilibrium rate of the salary and employment;
- b) to define change of parameters of market balance if as a result of, for example, regional migration the number of labor in the settlement increases by 30 people;
- c) to estimate change of total income of working. Note. Increase in the offer of work shifts a curve of the offer of work to the right, without changing its inclination. It is reflected in change of a point of intersection of the line with abscissa axis in this case on 30 units.

Task 1.5. (about the offer of work). The curve of the offer of work always has a positive inclination (higher a salary rate – higher the offer of work).

It is required:

- a) to express consent or not with a statement;
- b) to draw a curve of the offer of work by the individual and to show sites of a curve with income effects and leisure replacements with work.

Section II

Task 2.1. (employment and minimum wage). The regional market of workers, for example, of hardware is absolutely competitive, and curves of supply and demand are set by dependences

$$L_d = 200 - 10 \cdot W,$$

$$L_s = 50 + 5 \cdot W \text{ where } W \text{ is a salary rate.}$$

It is required:

- a) to find values of the equilibrium salary of a rate and employment, to construct the schedule;
- b) to define what will become with employment if the obligatory minimum of the salary to 15 e is established. in an hour;
- c) having assumed what as a result of increase in demand for hardware, labor demand will increase, and will be defined by L_d equation = $350 - 10 \cdot W$ to find with what there will be new equilibrium rates of salary and employment. Whether there will be an unemployment in this market?

Task 2.2. (about human resources). The population of a certain country of working-age is equal to 75 million people, including unemployed disabled people make 1.3 million people, the working teenagers – 0.2 million people, the working pensioners – 6 million persons.

It is required: to determine the number of human resources.
 Note: by definition of human resources, this economically active population, having fully physical and spiritual abilities for participation in work.

Task 2.3. (about human resources). To calculate population of working-age on the end of the year if for the current year there are following data: – population of working-age for the beginning of year it is equal to 71 million people; – the number of the dead at working-age for a year – 0.5 million people; – the number of the youth which entered working-age in the current year – 2.1 million people; – the number of the persons which reached a retirement age in the current year – 1.9 million persons.

Note: the population of working-age is as the algebraic sum of initial size and all a component, increasing or reducing a reference value.

Task 2.4. (employment and unemployment). During the five-year period statistical data on human resources and busy changed as it is presented in the table.

Indicators	The 1st year	The 5th year
1. Human resources, one million persons.	80	87
2. Occupied, one million persons.	75	79

It is required:

a) to find the number of the unemployed and unemployment rate in 1st and 5th of the period;

b) to explain why unemployment and employment at the same time grew;

c) to offer an explanation about a possibility of full employment in the 5th year.

Note.

Unemployment is a state of the economy when not all human resources are used. Unemployment rate is a share of unoccupied human resources. Natural unemployment rate assumes only structural and frictional, but lack of cyclic. Full employment the population admits a situation when there is no cyclic unemployment though is structural and frictional.

Task 2.5. (about unemployment and macroeconomic measures of fight against it). In a certain economy the ratio between unemployment and number of vacant positions is described by dependence: $y = 15/x + 1$ (Beveridge's curve), where x – the attitude of number of the unemployed towards number of labor, y – the attitude of number of vacancies towards number of labor. The actual unemployment rate is equal to 7.9%.

It is required:

a) to determine the level of cyclic unemployment;

b) the size of gain of GDP for decline in unemployment to natural level. Note: natural unemployment rate corresponds at the same time to equality of number of vacancies to number of the unemployed (at = x) and at the same time values x and at have to lie on Beveridge's curve.

Thus, these values are from the joint solution of a system: $a_t = x$, $a_t = (15/x) + 1$. For the answer to the second question it is necessary to use statistically established law Okuna: annual gain of GDP at the level of 2.7% keeps unemployment at the constant level and that to reduce it by 1% it is necessary to increase GDP by 2% in addition.

Task 2.6. (about unemployment). Let's assume that labor market of time is characterized at the moment by Beveridge's curve $a_t = 20/x$ where a_t and x from - carrying number of jobless and vacant positions to number of labor as a percentage. Actual unemployment rate of 10%. M S E F Dp D Dnp of G H A B With Wrav Wnp L W AD = AC + AB (D = Dp + Dnp) Wp D L rav.

It is required:

- a) to determine the level of natural unemployment;
- b) to calculate the extent of cyclic unemployment;
- c) to estimate, it is how necessary to increase the output to reduce unemployment to natural level.

Explanation. For finding of natural unemployment rate it is necessary to solve the system of the equations in common: $a_t = x$, $a_t = 20/x$.

Task 2.7. (about insurance upon unemployment). The state program of insurance upon unemployment provides payment of a grant in a size $B = 20 + 0.4W$ where W is a weekly rate of the salary on the last place of work, e. Everything, lost work, guaranteed a grant at a rate of not less than 40 e. in a week irrespective of the previous earnings and no more than 80 e.

It is required:

- a) to represent the amount of payment of a grant depending on the size of the previous earnings;
- b) to call the maximum amount of salary still to the place of work during which lost work will receive the minimum benefit;
- c) to call the minimum amount of salary still to the place of work during which lost work will receive the maximum benefit.

Task 2.8. (about a ratio of salary and unemployment). In the city the market of unskilled labor is described by functions of supply and demand of the following look: $L_d = 17,000 - 3 \cdot W$, $L_s = -7000 + 3 \cdot W$ where W is the monthly salary, e., L – the number of workers, persons. It is required:

- a) to find equilibrium values of salary and employment;
- b) to estimate election pledges of one of mayoral candidates of the city about increase in a rate of compensation to 5000 e. and decline in unemployment.

Task 2.9. (minimum wage and unemployment). In some regional labor market of function of supply and demand have an appearance: $L_d = 150 - 5 \cdot W$, $L_s = 140 + 20 \cdot W$ where W is an hourly rate of the salary, e., L – the number of workers, one thousand persons.

It is required:

a) to establish equilibrium values of a rate of the salary and employment and to estimate that will occur if the minimum rate of salary, the important $w_{\min 0} = 8$ e. it will be established by the government at the level of $w_{\min 1} = 9$ e.;

b) to find out what will happen to employment if the minimum wage is raised disposable to $w_{\min 2}$ value = 11 e.;

c) let's assume that the workers who lost the place after establishment of $w_{\min 2} = 11$ e. can pass into other sector of economy where the minimum wage is not established and that they are ready to work for the salary typical for this sector of economy. In this sector of economy supply and demand are characterized by functions: $L_d = 100 - 5W$, $L_s = 20 + 5W$. It is necessary to define an equilibrium rate of salary and employment in this sector of economy before establishment of the equilibrium state which resulted from arrival to this sector of additional workers.

Explanation: after arrival to the sector of additional workers at a rate of ΔL of function of supply and demand will become: $L_d = 100 - 5W$, $L_s = 30 + 5W$.

Section III

Task 3.1. (work and business).

The firm operates on the market of the perfect competition and has production function: $Q = 15 \cdot L^{1/3}$, unit, where L – number of workers. Its products are on sale at the price P e. apiece, and rate of compensation of workers of $W = 3$ e.

It is required: to find how many workers the firm needs to employ to maximize profit. Explanation: the limit product of work of firm has an appearance: $MRPL = 3 \cdot 2 \cdot 3 \cdot 1$ of $L^{3 \cdot 1} (r \cdot 15 \cdot L) / L^{15}$
 $p - \partial \cdot \partial = \dots$

As in a point of a maximum of profit of firm takes MRPL place = W , $L = 23 (15 \cdot p/3 W)$.

Task 3.2. (work and business). The limit product of work in value terms for firm, acting in the market of the perfect competition, is set by expression: $MRPL = 50 - L/300$, e. / persons. The offer of work is defined by dependence – $W = L/10$. It is required: to find number of workers who will be found by firm to maximize profit and a rate of compensation which it will pay.

Explanations. The condition of maximizing profit for firm has an appearance: $MRPL = W$. The equation, necessary for the solution of a task, will be: $(50 - L/300) = L/10$.

Task 3.3. (work and firm-monopsonist). Branch labor market is competitive and is described by functions of supply and demand of labor respectively: $W = 10 - L_d/150$, $W = 5 + L_s/300$, where L – number occupied, W – the hour tariff rate.

It is required:

a) to find equilibrium values of employment and a rate of the salary;

b) let's assume that firms employers of work agree among themselves and act as the only buyer of work (monopsonist), reducing thereby compensation for maximizing profit. To determine the new level of compensation and employment.

Explanation: the firm will reach a profit maximum, in the perfect market of the goods if in the conditions of a monopsony conforms to the rule: $MRPL = MCL$, that is will seek for minimization of costs for work that is identical to equality of extreme efficiency of work (MRPL) and limit costs of firm for work (MCL). Therefore we find: – joint costs on work are equal: $TCL = W(L_s)L_s = (5 + L_s/300) L_s = 5L_s + L_s^2/300$; – limit costs of firm for work are equal: $MCL = \partial(TGL)/L = 5 + L_s/150$. The condition of equality of $MRPL =$ allows to find MCL necessary expression for maximizing profit of firm: $10 - L_d/150 = 5 + L_s/150$.

Task 3.4. (work and business). The firm makes products in the market of the perfect competition, and its production function has an appearance: $Q = 0.1 \cdot L$, piece. Products unit price $r = 20$ e. The offer of work is defined by a formula: $W = 4 + L/100$.

It is required: to define how many workers will be employed by firm to maximize profit and what rate of the salary will pay employed.

Explanation: total income of firm is equal to $TR = P \cdot Q = 0.1 \cdot p \cdot L$, limit income is equal to $MRPL = 0.1 \cdot p$, the equation for obtaining the decision has an appearance: $0.1 \cdot p = 4 + L/100$.

Task 3.5. (work and firm-monopsonist). Let's assume that in the firm town, the making fabrics, unite in one who becomes a monopsonist in labor market. Function of demand for fabrics has an appearance: $P = 10 - Q/500$, e./sq.m. Function of the offer of work is set by expression: $W = 2 + Ls/40$, e. / dn. Each weaver in day can produce 300 sq.m/dn., that is production function of firm has an appearance: $Q = 5L$, m 2/dn.

It is required:

a) to define employment in the city and the equilibrium salary before merging of firms; total profit of firms;

b) to define employment in the city and the salary after creation of uniform firm; profit of firm;

c) having assumed that the labor union of hired workers establishes the salary at a rate of 15 e. / dn to find how many workers will be employed by firm and what profit will get.

Explanations. 1. Total income of firms is equal to $TR = (10 - Q/150)Q = 50L - L^2/20$, limit income of $MRPL = 50 - L/10$. 2. Joint costs on compensation are equal to $TC = W \cdot L = 2L + L^2/40$, limit costs for work $MCL = 2 + L/20$. 3. If the labor union establishes the salary at a rate of 15 e. / dn., that the number of hired workers maximizing the profit of firm is from expression: $\Pi = 35L - L^2/20$.

Task 3.6. (work and business). Production function of firm is set by expression: $Q = 0.3 \cdot K^{1/3} \cdot L^{2/3}$ where K and L is the capital and work in thousand rubles and man-hours which market prices are equal to r and W, Q is the output, piece.

It is required: to define how many work the firm maximizing profit has to use if the price of a unit of production in the market is equal to 12 e./piece, the number of the used M cars = 50 units, and the cost of one car is $r = 500$ e./unit, a rate of the salary of $W = 3$ e. What at the same time profit. Explanation: total income of firm is equal to $TR = 105.23 \cdot L^{2/3}$ e., work costs – the $CU = 3L$, profit $P = 105.23 L^{2/3} - 3L$.

Task 3.7. (business and labor unions). Demand of firm for work is set by dependence: $W = a - bL$. The labor union sets as the purpose to maximize the general fund of salary of the members.

It is required:

a) to establish what requirements for compensation and employment will expose labor union (W_{pr} , $L_{Ave.}$);

b) to show that in W point = W_{pr} , to $L = L_{Ave.}$ the elasticity of demand for work on the salary is equal -1 .

Explanations.

a) The mathematical model of an objective has an appearance: $WL \rightarrow \max$ and $W = a - bL$. Its function of Lagrange will be: $\Phi = WL + \lambda (a - bL - W)$.

b) The elasticity of demand (E) for work on salary shows as far as percent demand for work will fall if salary is raised for one percent and is as $E = (W/L): dW/dL$.

Task 3.8. (business and labor unions). Demand of firm for work is set by dependence of $W = 400 - L$ where W – a salary rate, L – number busy. The labor union unites 1000 workers and puts a task to establish a rate of salary and the employment corresponding to it so that total wage fund was the greatest.

It is required:

a) to find a rate of compensation and the employment answering to the purposes of labor union;

b) let's assume, the dole at a rate of 50 e is entered. in a week for those workers who lose work because of establishment by labor union of a rate necessary to it. How in this case does the labor union have to correct the purposes to maximize the total revenues of the members, that is the sums of salary and a dole? Comment on influence of a dole on force of a position of labor unions. Explanation:

a) $W_{pr} = a / 2$, $L_{Ave.} = a / 2b$ (and $a = 400$, $b = 1$ cm task 3.7);

b) the solution is found from model: $WL + (1000 - L) 50 \rightarrow \max$, $W = 400 - \lambda$ which leads through Lagrange's function to the system of the equations: $L - \lambda = 0$, $W - 50 - \lambda = 0$, $400 - \lambda - W = 0$.

Task 3.9. (business and labor unions). Branch labor market consists of two sectors. The first sector in which the labor union works is described by functions of supply and demand of a look: $L_d = 400 - 100W$, $L_s = 400W - 400$. In the second sector there is no labor union, and functions of supply and demand have an appearance: $L_d = 900 - 200W$, $L_s = 400W - 600$.

It is required:

a) to define an equilibrium rate of salary and employment in the first sector and also how many people will lose work if the labor union establishes W rate = 2 e. in an hour;

b) having assumed that the unemployed will begin to look for the place in the second sector, to define how many people will find work there and as equilibrium salary and employment will change;

c) to find how many people will be left without work on the sum occupied in two sectors after establishment of a compensation rate by labor unions to 2 e. in an hour.

Explanation. If additional people number N come to the second sector, then the offer of work in this sector will change from $400W - 600$ on $400W - 600 + N$.

Task 3.10. (about actions of labor union). Demand in labor market is described by dependence: $L_d = 300 - 10W$. It is required. To establish what rate of salary the labor union maximizing the total wages fund of the members will try to obtain. To choose the answer among offered: $W = 5, 10, 15, 20, 30$.

Task 3.11. (about actions of labor union). Demand in labor market is described by dependence: $W = 15 - L/200$.

It is required. Having assumed the exclusive power of labor union and that he tries to obtain the greatest wage fund for the members, to define what employment the labor union will try to obtain. To choose the answer among offered: $L = 2000, 1600, 1200, 800, 500$ persons.

Task 3.12. (about the human capital). Investments into building human is an investment of capital in (choose the answer):

a) equipment and new productions;

b) training of the people increasing their value in labor market;

c) social infrastructure; d) production infrastructure.

Task 3.13. (about the human capital). The theory of the human capital is under construction on the basis of the facts observed in practice which should be chosen from offered:

a) level of the salary is in direct dependence on education level;

b) the person seeks to maximize income, total for term of active life;

- c) expenses on food, clothes and other current needs at assessment of the amount of investments into the human capital are admissible not to be taken into account;
- d) true called is above and above;
- e) among the called ideas of essence of the human capital there are no most significant.

Task 3.14. (about the human capital). When receiving the higher education it is necessary to include in calculation of alternative costs:

- a) expenses on housing;
- b) expenses on clothes;
- c) tuition fee, purchase of textbooks, etc.;
- d) everything listed above.

Task 3.15. (about the human capital). Experience shows that in the developed countries investments give the greatest return in (you will choose the answer):

- a) primary education;
- b) secondary general education;
- c) secondary professional education;
- d) the higher education;
- e) education, additional to the highest.

Section IV

Task 4.1. (about loading of the enterprise). The average quantity working in producing departments of the enterprise in the last month is presented in the table.

Shop	Number of workers	Including on changes		
		The first	The second	The third
And	200	160	30	10
In	120	30	70	20
With	90	50	30	10

It is required. To calculate working in shifts coefficient.

Explanation. The coefficient of working in shifts shows extent of use of production capacity of the enterprise and pays off as the attitude of total number of workers towards the workers occupied in the most numerous change of each shop.

Task 4.2. (about turnover of staff). Personnel of the enterprise and its movement are presented by the following data:

- average number of 5 thousand people working for the last year, including working – 3600 people, employees – 1400;
- 1100 people, including working – 900 people are employed in a year;
- 1000 people, including workers – the 850th persons are dismissed in a year.

It is required.

To define:

- 1) turnover of shots of reception;
- 2) turnover of shots of leaving;
- 3) total turnover of shots;
- 4) coefficient of constancy of shots.

Explanation. All coefficients are as the attitude of change of an indicator towards the basic value.

Task 4.3. (about labor productivity). The enterprise releases water pumps of 150 thousand pieces a year. The volume of gross output is equal – 4 million e. in a year. Average number working the 120th persons.

It is required. To define development on one working in natural and monetary calculation.

Task 4.4. (about labor input and labor productivity). Activity of the enterprise is characterized by the following indicators:

- labor input of the turned-out products according to the plan – 70 thousand normochas;
- labor input of the turned-out products actual – 65 thousand normochas;
- production according to the plan in kind – 3000 pieces;
- production actually – 3100 pieces.

It is required:

a) to define labor input of one product planned and actual; b) increase in productivity of work.

Task 4.5. (about the factors affecting labor productivity). Activity of the enterprise is characterized by the following indicators:

- the planned number of working (N_{pl}) – 500 people;
- the actual number of working (N_f) – 540 people;
- planned annual volume it is released products (V_{pl}) – 2000 thousand units;

– the actual annual production (Vf) – 2300 thousand e.

It is required:

a) to define change of the actual development counting on one working (Vf);

b) to estimate as change of volume of production and number of working influenced development.

Explanation. Identification of a contribution of each factor (the output and number) in change of the final result is made by method of chain substitution on a formula:

$$\Delta B = \Delta BV + \Delta BN = (Vf/Npl - Vpl/Npl) + (Vf/Nf - Vf/Npl),$$

where ΔB – the general change of development one working, ΔBV and ΔBN – a contribution to the general change of elaboration of change of the outputs and number.

Task 4.6. (labor productivity and reserves of its growth). Dynamics of work of the industrial enterprise are characterized by the following table.

Indicator	Basic year	Reporting year
1. Gross output in the comparable prices of VP, one thousand e.	3800	3990
2. The average number of the working N, persons.	580	582
3. Specific weight of workers in the total number of PPP, %	82.4	82
4. It is fulfilled by the worker:		
a) one thousand people - days	117.0	114.6
b) one thousand people - hours	908.6	882.4

It is required:

a) to estimate dynamics of hourly average, daily average and average annual labor productivity;

b) to show interrelation of the calculated indicators;

c) to calculate factorial indexes, to show their interrelation.

Explanation. The decision to present in the form the table continuing Subparagraphs 1-4 is higher than this information and containing Subparagraphs 5-10. To enter one more column showing indexes in the table. Indicators are calculated by formulas: hour development of item 5 = = item 1/item 4b, e. / the people - hour; duration of the working day of item 6 = item 4b/p. 4a, hour / dn.; duration of working year of item 7 = item 4a / (item 2 × item 3), dn. / year; day development of working item 8 = item 1/4a, e. / the people -

day; item 9 = item 1 / (item 2 × item 3) e. / people; item 10 = item 1/item 2, e. / persons. Indexes pay off as usual: relation of an indicator of reporting year to basic. To be convinced that indicators and indexes are connected by dependences:

$$\Pi_{\text{год}}^{\text{раб}} = \Pi_{\text{час}}^{\text{раб}} \times t \times T \times Y_{\text{раб}}, \quad J_{\Pi_{\text{год}}^{\text{раб}}} = J_{\Pi_{\text{час}}^{\text{раб}}} \times J_t \times J_T \times Y_{y_{\text{раб}}},$$

где $\Pi_{\text{год}}^{\text{раб}}, \Pi_{\text{час}}^{\text{раб}}$ – the annual and hour labor productivity of workers, t is duration of the working day in hours, T – duration of working year in days, $Y_{\text{раб}}$ – the specific weight of workers in PPP number.

Task 4.7. (price-work compensation). The worker in a day made 155 products for which quotation of 5.4 e./piece.

It is required. To calculate day earnings of the worker.

Task 4.8. (price-work and bonus compensation). The worker executed performance standard for 115%. Its earnings on direct price-work quotations make 900 e. on performance standard. By intra factory situation price-work labor quotations for the products developed much raise by 1.3 times.

It is required. To calculate day earnings of the worker for conditions of a straight line of price-work and price-work and bonus systems of compensation.

Task 4.9. (time and bonus compensation). The worker - a povremenshchik worked 172 hours in a month at the tariff rate of salary of 90 e. in an hour. In the course of work he saved materials for the sum of 700 rub, and by intra factory situation he is awarded of 50% of the economy sum.

It is required. To calculate monthly earnings of the worker-povremenshchika.

Task 4.10. (time and bonus system). The engineer gets paid at the rate of 110 e. / hour and under the terms of the employment contract of 25% of an award monthly.

It is required. To calculate the engineer's earnings if he in a month worked 160 hours.

Task 4.11. (calculation of a vacation pay). Official salary of the worker of 12,000 e. / masses. He goes on leave lasting 24 calendar

days. It is required. To calculate the size of the earnings kept for a holiday. Explanation. When calculating a vacation pay earnings within three last months are taken into account and that the average number of calendar days of one month in a year – 29.6 days.

Task 4.12. (intensity of work and salary). The businessman changes the organization of work for packing of goods for new. Parameters of an old and new system of packing are presented in the table.

Indicators	Old system	New system
1. The number of the goods occupied with packing, persons.	50	30
2. Average intensity of work, piece/change	22	47
3. Average earnings of the worker, e. / change	480	640

It is required. To calculate as far as the intensity of work, the salary of workers and the businessman's expenses will change.

Task 4.13. (economic effect of decrease in labor input). The small firm which is engaged in tailoring of footwear changes organizational technological level of production. Basic data are provided for the analysis in the table.

Indicators	Before reorganization	After reorganization
1. Output of Q, one thousand lane/year	23,500	23,500
2. Norm of time for production of one couple of tvr, hour/piece.	2.65	1.11
3. Raw materials consumption rate on production of one pas - ry M, sq.dm/piece.	15.7	13.7
4. The price is one sq.dm of material P, e./sq.dm	9.3	9.3
5. Fund of time (232 dn. / year × the 8th hour / dn.) one worker F, hour/year	1856	1856

It is required.

To calculate economy on number of workers and the salary, materials and annual economic effect of reorganization if for the 266th its carrying out one-time costs in size 6,100,000 of e are required. Return of the capital, acceptable for firm, not less than 15% per annum.

Annual salary of one working 180,000 e. / year.

Explanations. Annual economic effect is calculated by formula $E = \Delta T - E \cdot K$ where ΔT – economy on salary and materials, T_0 – uniform time expenditure, E – standard of efficiency of investments.

Task 4.14. (about a ratio of increase in productivity of work and the salary). Activity of the enterprise for the report for last year and to the plan for current is characterized by the indicators given in the table.

Indicators	Before reorganization	After reorganization
1. Volume of products of TP, e. / year	3,600,000	3,900,000
2. PPP number, persons.	425	427
3. Wage fund, e. / year	612,000	651,300
4. The standard of compensation on TP unit in value terms	0.17	0.167

It is required:

- to calculate gain of labor productivity in an absolute velichinot and percent;
- to calculate gain of average annual salary in an absolute value and percent;
- to make pre-trial detention about rationality of a ratio of gains of labor productivity and its payment.

ANSWERS

Section I

1.1. a) $W_{rav} = 7$, $L_{rav} = 700$;

b) $L(w = 6) = 600$, income of busy will change from 4900 dollars an hour up to 3600 dollars an hour, and employment will decrease on 100 people;

c) $L_d(w = 9) = 500$, income of busy will change from 4900 dollars an hour up to 4500 dollars an hour, and employment will decrease on the 200th persons.

1.2.a) $W_{rav} = 3$, $L_{rav} = 60$ people;

b) employment will remain the same, and salary will fall to 0.9 dollars an hour;

c) employment will remain the same, and equilibrium salary will decrease from 3 to 2.1 dollars an hour;

d) employment will decrease, equilibrium salary will increase, got paid by the worker will decrease after introduction of a tax by salary.

1.3. a) $W_{rav} = 2$ dollars an hour, $L_{rav} = 150$ people;

b) employment will decrease on 40 people (by 27%), total income of busy will decrease by 25 dollars an hour (for 8.3%).

1.4. a) $W_{rav} = 3$ dollars an hour, $L_{rav} = 150$ people;

b) $W_{rav} = 2.7$ dollars an hour, $L_{rav} = 159$ people, i.e. equilibrium salary will decrease by 0.3 units (for 10%), and the quantity of working will increase by 9 people (for 6%); c) total income of working will decrease from 450 dollars an hour to 429 dollars an hour, i.e. will decrease by 4.7%.

1.5. a) is not present;

b) $W_0 C B A$ Business hours in day Liniya YOU – the offer of work by the individual Liniya of VA – the offer of work on the site of replacement of leisure with work of Liniya SA – the offer of work on the site of income effect $W_0 C B A$ Business hours in day Liniya YOU – the offer of work by the individual Liniya of VA – the offer of work on the site of replacement of leisure with work of Liniya SA – the offer of work on the site of income effect.

1.6. At an hour rate of the salary of $W_r = 10$ e. the budgetary line (RN1) concerns a curve of indifference of KB1 in a point And: time of leisure of 16 hours, operating time of 8 hours. If the hour rate becomes equal $W_r = 20$ e., then the budgetary line (RN2) concerns other curve of indifference of KB2 in a point In from bigger got - a nost for the individual: time of leisure of 18 hours, operating time of 6 hours. The budgetary RN2 line crosses a curve of indifference of KB1 in a point With to which there corresponds time of leisure of 8 hours, operating time of 16 hours, day income of 16×20 e. = 320 e. This day income is much higher, than in a point And (the 8th hour $\times 10$ e. = 80 e.) or than in a point In (the 6th hour $\times 20$ e. = 120 e.), but operating time is "eaten" completely by leisure and it is not possible to use high earnings. It is also the "effect of high income" reducing operating time.

1.7. a) at $W = 10$ e. in an hour, $Y_0 = 0$: $L = 16$ hours (leisure), work – 8 hours;

b) at $W = 10$ e. in an hour, $Y_0 = 60$ in day: $L = 20$ hours (leisure), work – 4 hours;

c) at $W = 5$ e. in an hour, $Y_0 = 60$ in day: $L = 24$ hours (leisure), work – 0 hour.

Section II

2.1. a) $W_{rav} = 10$ e., $L_{rav} = 100$ people;

b) $W_{min} = 15$ e., offer of work = 125 people, demand = 50 people, unemployment 75 people;

c) $W_{rav} = 20$ e., $L_{rav} = 150$ people; demand for work in comparison with the item grew by 50 people, unemployment in the market of skobenny products will not be.

2.2. Human resources = $75 - 1.3 - 0.2 - 6 = 67.5$ million persons.

2.3. Working-age population = $77 + 2.1 - 0.5 - 1.9 = 76.7$ million persons.

2.4. a) The number of jobless (B) in 1st and 5th is equal to $B_1 = 80 - 75 = 5$ million people, $B_2 = 87 - 79 = 8$ million persons. Unemployment rate of $U_1 = 5/80 \times 100\% = 6.25\%$, $U_5 = 8/87 \times 100\% = 9.2\%$.

b) simultaneous growth of employment and unemployment is connected with the fact that the number of human resources increased quicker, than employment; c) statistical observations show that natural unemployment rate seldom exceeds 5–6% therefore the full employment in the 5th year was not.

2.5. a) From a system: $at = x$ and $at = (15 / x) + 1$ we find natural unemployment rate $x = at = 4.4\%$. As the actual unemployment rate of 7.9%, cyclic unemployment it is equal $7.9 - 4.4 = 3.5\%$;

b) annual gain of GDP of $2.7 + 2 \cdot 3.5\% = 9.7\%$ is necessary for elimination of cyclic unemployment.

2.6. a) level of natural unemployment $at = 20 = 4.5\%$;

b) level of cyclic unemployment is equal $10 - 4.5 = 5.5\%$;

c) growth of the output eliminating cyclic unemployment is equal to $2.7 + 2 \cdot 5.5 = 13.7\%$.

2.7. $ln = f(W)$ W, e. 50 100 150 200 80 60 40 20 V, e.

b) $W = 20/0.4 = 50$ e. (from $40 = 20 + 0.4W$);

c) $W = 60/0.4 = 150$ e. (from $80 = 20 + 0.4W$).

2.8. a) $W_{rav} = 4000$ e., $L_{rav} = 5000$ people;

b) $L_d = 17\,000 - 3 \cdot 5000 = 2000$ people, $L_s = -7000 + 3 \cdot 5000 = 8000$ persons. Promises in mayoral candidates are unreal as salary increase from 4000 e. up to 5000 e. leads to significant rise in unemployment because of considerable decline in demand for labor.

2.9. a) $W_{rav} = 10$ thousand e., $L_{rav} = 100$ thousand persons. Changes in labor market after increase in min $W_0 = 8$ thousand e. to min $W_1 = 9$ thousand e. will not be;

b) after establishment of $\min W_2 = 11$ thousand e. in the market employment on $\Delta L = 5$ thousand people will decrease;

c) in other sector of economy where the released labor and if it finds in it application everything will come, will change equilibrium with - standing with $W_{rav} = 8$ thousand e. and $L_{rav} = 60$ thousand people to $W_{rav} = 7$ thousand e. and $L_{rav} = 65$ thousand persons.

Section III

3.1. $L =$ The 42nd persons.

3.2. $L = 50$ people, $W = 5$ e.

3.3. a) $L_{rav} = 500$ people, $W_{rav} = 6.67$ e.;

b) $L = 375$ people, $W = 6.25$ e., thus, joint actions of firms, on maximizing the profit due to decrease in costs for work, reduce compensation and employment in this case by 6.3% and 25% respectively.

3.4. $L = 200$ people, $W = 6$ e.

3.5. a) $L = 384$ people, $W = 11.6$ e. / dn., Profit = 7418 e. / dn;

b) $L = 320$ people, $W = 10$ e. / dn., Profit = 8672 e. / dn; c) $L = 350$ people, $W = 15$ e. / dn., Profit = 6125 e. / dn;

3.6. $L = 12,785$ people, $P = 19,364$ e.

3.7. a) $W_{pr} =$ and / 2, $L_{Ave.} =$ and / 2B;

b) $dW/dL = -b$ from where in a point of W_{pr} , $L_{Ave.}$ $E = -1$ is had.

3.8. a) $W_{pr} = 200$ e. / week, $L_{Ave.} = 200$ people; $WL = 40000$ e. / week;

b) $W_{pr} = 275$ e. / week, $L_{Ave.} = 225$ people; $WL + (100 - L) 50 = 100,625$ e. / week; Establishment of an allowance for members of labor union significantly affects rigidity of requirements of labor union concerning salary increase, though is not clear where to take money to labor union on a dole. If a dole were and earlier (are established by the state), then total income of the members of labor union receiving only state grants and salary would equal 80,000 e. / week. It is all the same less than the sum there are 100,625 e. / week, but 40,000 e are better. / week, than without state doles.

3.9. a) $W_p = 1.6$ e., $L_r = 240$ people (the first sector), at $W = 2$ e., $L = 200$ people, i.e. will be released the 40th persons.

b) $W_p = 2.5$ e., $L_r = 400$ people (the second sector), at function of the offer of work $400W$ – the 560th new balance will come at $W_p = 2.43$ e., $L_r = 413$ people;

c) total number of the unemployed will increase by $40 - 13 =$ the 27th persons.

3.10. $W = 15$ e. in an hour.

3.11. $L = 1600$ persons.

3.12. b)

3.13. d)

3.14. c)

Section IV

4.1. $K_{sm} = (200 + 120 + 90) / (160 + 70 + 50) = 1.46$, i.e. during formally three-shift work, the enterprise uses about a half of the production capabilities.

4.2. Turnover of reception of workers – $900/3600 = 0.25$; Turnover of reception of employees – $200/1400 = 0.143$; Average turnover on reception – $1100/5000 = 0.22$; Turnover of leaving of workers – $850/3600 = 0.236$; Turnover of leaving of employees – $150/1400 = 0.107$; Average turnover on leaving – $100/5000 = 0.200$; The Total turnover of shots of the enterprise – $(1100 + 1000)/5000 = 0.42$; Coefficient of constancy of shots – $(5000 + 1100 - 1000)/5000 = 1.02$. Turnover of staff at the enterprise considerable: total turnover of shots of 42%, turnover of leaving of 20%. More exact assessment is possible only in comparison with the last period and/or in comparison with the main competitors. 4.3. 1250 pieces a year on the person, 33,333 e. / year on the person. 4.4. – labor input planned – 23.3 hours on one product; – labor input actual – 20.97 hour on one product; – increase in productivity of work – 11.1%. 4.5. $\Delta B = 0.6 - 0.34 = 0.26$ thousand e. / persons. Thus the general processing of one working changed thanks to increase in production on 600 e. / the people and contrary to growth of number working on – 340 e. / persons.

4.6. a) item 5 = 4.18 and 4.408 for basic and reporting years; $J = 1.0541$; item 8 = 32.48 and 33.94 for basic and reporting years; $J = 1.0451$; item 10 = 6651.7 and 6683.8 for basic and reporting years; $J = 1.0202$; b) to be convinced about interrelation through the dependences given in an explanation and a task;

c) indexes in Subparagraphs 1-10 it is consecutive 1.02368; 1.00335; 0.99515; 0.97949; 0.97116; 1.05419; 0.9915; 0.98088; 1.04512; 1.02514; 1.02017. And connection test of indexes $1.05419 \times 0.99515 \times 0.99088 \times 0.99515 = 1.02017$.

It is necessary to reduce whole-day and intra day losses of working hours.

4.7. 837 e. in day.

4.8. $900 \text{ e.} \times 115\% \text{ of } 100\% = 1035 \text{ e.}$ (without increase in a tariff); $900 \text{ e.} (1.15 + 0.15 \times 0.3) = 1075 \text{ e.}$ (with increase in a tariff).

4.9. $172 \times 90 + 700 \times 0.5 = 15480 + 350 = 15830 \text{ e. / month.}$

4.10. $160 \times 110(1 + 25/100) = 22000 \text{ e. / month.}$

4.11. $\times = 29.6 \text{ dn. / month of } 13 \text{ } 12000 \text{ } 12000 \text{ } 12000, 405.4 \text{ e. / dn. } 405.4 \text{ e. / dn.} \times 24 \text{ dn.} = 9730 \text{ rub.}$

4.12. The intensity of work will increase by 2.14 times, the salary will increase by 1.33 times, costs of the businessman will be reduced from 21.8 e./piece up to 13.6 e./piece, i.e. by 1.8 times.

4.13. Economy on labor input of products $\Delta T = 23,500(2.65 - 1.1) = 36,425 \text{ hour/year}$ or 58.1%; Decrease in number working $\Delta N = 36422/1856 = 20 \text{ people}$ or 59.7%; Economy on salary $\Delta \Pi = 20 \times 180000 = 3600000 \text{ e. / year}$; Economy on materials $\Delta M = (15.7 - 13.7) \times 9.3 \times 23500 = 437100 \text{ e. / year}$; Economic effect $E = (3600000 + 437100) - 0.15 \times 6100000 = 3122100 \text{ e. / year. } 275$

4.14. a) $\Delta \Pi T = 663 \text{ e. / the people in a year}$ or $\sigma = 7.83\%$;

b) $\Delta \Pi = 85 \text{ e. / the people in a year}$ or $\sigma = 5.9\%$; c) as $\sigma \Pi > \sigma \Pi$, a ratio of gains of productivity | rub - and its payments (by 1.33 times) as a first approximation rational.

Glossary

Adaptation (Latin *adaptatio* – adaptation) – adaptation of workers to the created and/or changing working conditions, productions, the external environment.

Certification of jobs – establishment of compliance of a workplace to regulatory requirements of working conditions, to the best practices, finding of reserves of increase in productivity of work.

Work audit (from English *audit* – check) – establishment of compliance of personnel capacity of the organization to its purposes, development strategies, specifics of activity. The unemployed – the person at working-age able and the person interested to work, but not having work and labor income owing to circumstances.

Unemployment – a situation when a part of active, able-bodied population cannot find work which is capable to be executed. In the developed countries with market economy natural unemployment rate is about 5% of total number of busy.

Remuneration for work – compensation of workers, as a rule, in cash for quantity and quality of work, for a contribution to the general results of work. Temporary job – the work provided under the urgent contract for the period, as a rule, in several months.

Length of service – the number of years of work granting the right for pension, salary increase, granting privileges.

The guest worker (from it. *gastarbater* – the immigrant worker) – the foreign worker involved from the underdeveloped country in industrially developed.

The guest performer – the person who is constantly changing the place of work accidental and, as a rule, the unfair worker.

Depression (Latin *depression* – suppression) – stagnation in economy, lack of rise or the business recession which is followed by unemployment.

The collective agreement – the contract between owners or administration of the organization with labor collective concerning an operating mode, compensations, durations of a holiday, conditions and safety of work, insurance, privileges, etc.

The employment contract – the individual agreement between the employer and the worker on character, conditions and payment of its work. Can consist for a trial period, for the period of work performance, for a certain or uncertain term (lifelong).

The law Okuna – at small annual increase in real GNP (it is not higher than 2.5%) unemployment rate practically does not change, and at higher rates of shift of GNP each 2% of its change shift unemployment in the opposite direction for 1%.

Engel's laws are regularities of change of costs breakdown of families depending on growth in incomes. With growth in incomes the general consumption by family of all benefits increases, but income on consumption of usual products, and most on refined things, luxury goods, savings least of all grows.

Employment – participation of the population in work, including study, military service, housekeeping, care of children, aged. The part-time employment is an unemployment source.

The salary – the reward established on a scale of charges (rate) or in the form of an official salary, or according to the employment contract, but not below the minimum established by the law.

Social protection – set of the economic, legal, social safeguards provided by the state, giving a basis for the worthy standard of living, normal reproduction of human resources and personal development. Cost of living index – the indicator characterizing the change in price for consumer goods and tariffs for services in relation to the fixed set of the goods and services entering a consumer set of separate categories of the population (consumer basket).

The index of development of the human capital – the arithmetic-mean size of three indexes: the expected life expectancy, education level and GDP per capita in purchasing power parity.

Quality of life – the generalizing social and economic category reflecting level of consumption of material benefits and services, health and life expectancy, satisfaction of spiritual needs, ecological conditions, moral and psychological climate, peace of mind.

Quality of work – set of the characteristics of concrete work defining degree of its complexity, intensity, conditions and the importance for development of economy, the organization and the person.

Qualification (Latin *qualitas* – quality) – readiness to high-quality performance of concrete types of works in the form of skills, experience, abilities and knowledge.

The collective agreement – see "the collective agreement".

Labor collective (Latin *collectivus* – collective) – set or group of the people working in one organization.

Competence (Latin *competens* – corresponding) – knowledge and experience in any area, set of powers of the person or bodies according to laws, normative documents, charters, provisions.

The conflict (Latin *conflictus* – collision) – a contradiction in views, the relations, a sharp dispute.

Jeanie's coefficient – the macroeconomic indicator characterizing differentiation of monetary income of the population in the form of a measure of a deviation of the actual distribution of income from their absolutely equal distribution between residents of the country.

The Individual Performance Factor (IPF) – quantitative assessment of a share of a labor contribution of the certain worker to the general result of work of collective.

Labor input coefficient – labor input on production of a unit of production.

Lorentz's curve – the line showing what part of comprehensive external revenues of the country is gained by each share of families from low-profit to highly profitable and expresses the percentage of distribution of income between families with different prosperity. It is connected with Jeanie's coefficient. Phillips's curve – reflects dependence between the rate of inflation and unemployment rate, showing that they change diversely.

Personal income – the monetary income of the worker consisting of the salary and additional receipts including dividends, percent, a rent, awards, transfers.

Material stimulation – set of forms and methods of motivation of people to productive work.

The International Labour Organization (ILO) is the international organization created in 1919 with the residence in Geneva and entering since 1946 into the United Nations (UN). Deals with problems of working conditions, social security of the population of the different countries, development of recommendations about the labor law. The ILO from each country includes three parties: representatives of the country, trade union representatives and representatives of the organizations of employers.

Population shift (Latin *migration* – movement) – the movement of people (human resources) connected mainly with changes of the residence and/or place of work.

Minimum wage – officially established by the state at least of compensation at the enterprises of any firm of property in the form of

the smallest monthly rate or hourly payment. It is size in Russia not always and not everywhere it is tied to a living wage.

Model of the person of work – the verbal description of behavior of the average person participating in economic life of society. There is no uniform model, it is always concrete, tied at the right time, to the level of development of productive forces, is national. The model of the economic person (in classical understanding of XVIII-XX of centuries) – is based on the observation confirmed with experience that the main incentive of activity is egoistical monetary interest and that the person, having sufficient knowledge, competence and freedom of action, can achieve the objectives necessary to it in the conditions of free competition. The model of the person of work in "new economy" differs from "model of the economic person" essential in big shift from purely economic interests in interests spiritual, intellectual, to satisfaction with process of the work, its complexity, social importance. It has to have the expressed tendency to intellectuality, educational mobility, innovation and social partnership.

Modernization (from Greek moderne – the latest) Russia – process of formation of the new public environment capable to perception, creation, use and reproduction of new technologies and overcoming social, economic and technological lag of the country from the most developed countries. It is caused by pressure of the external factors which became especially notable at the beginning of the 21st century, but not internal need of elite, public groups, the people; demands reforming of the main social institutes – mass education, public administration, science, the press, the judicial system, army, etc. In the course of modernization the human/labour factor from category of one of key passes into decisive.

Methods of rationing of work are ways of a research and design of labor process for establishment of reasonable labor input rates.

Monotonous work – the monotonous work consisting of the simple, but constantly repeating operations.

Extra charges are additional payments to workers to the main salary for difficult, difficult working conditions, high quality of work.

Wage labor – work on the employment contract at the enterprise which owner is not the worker.

The income tax is income tax which assesses the sum of total revenues of citizens in terms of money for the expired year.

Disability – impossibility because of age, diseases, etc. to carry out work for the reasons independent of the person. Is temporary, partial, full.

The nominal salary – the salary size recorded in documents in terms of money out of communication with goods prices and service and other expenses of the worker. In difference from nominal real salary considers purchasing power of money.

Norm of time – the established expenses of time for performance of unit of work defined for one or group of workers of the corresponding qualification in these organizational specifications.

Performance standard – the established work volume (quantity of products) which the worker or group of workers of the corresponding qualification is obliged to execute in unit of working hours in certain organizational specifications.

Norm of service – quantity of objects (items of equipment, jobs, etc.) which the worker or group of workers of the corresponding qualification are obliged to serve in unit of working hours in certain organizational specifications.

The general unemployment rate – an unemployment rate indicator taking into account all its main forms (natural, cyclic, structural, frictional, etc.).

Salary official – the amount of the nominal monthly salary according to a post, according to the staff list, an official fork, a category scale. The salary in the sum with extra charges and awards for quality, urgency of performance, etc. makes the nominal salary.

Organizational and legal structure – a look and a way structural on - structures of the enterprise, firm, corporation, provided by laws and other precepts of law depending on form of ownership, the scale of the organization, a way of formation of its capital, connection and a taxonomy of its parts.

The organization (Latin of organize – to give a harmonious look) – a form of association of people for joint activity within a certain structure. Governing bodies are the divisions of the organization given the right to make management decisions within their competence and to monitor execution of the made decisions. Labor protection and technically safety – a package of measures for ensuring safe work, protection of workers from injuries and the harmful effects connected with adverse working conditions on elimination of the reasons causing these phenomena, to improvement and improvement of working conditions.

Parity (Latin *paritas* – equality) – equivalence of provisions of the interacting parties, factors, means, equal rights and duties.

Pension (Latin *pencio* – payment) – cash security in the form of regular payments to citizens at achievement of certain age, in connection with disability, at loss of the supporter and in other cases provided by the law.

Personnel – staff of the organization, or the part of this structure allocated on the basis of the nature of the performed work (administrative personnel, etc.).

Time wage of work – the compensation form based on the principle of dependence of the salary on the number of the fulfilled hours.

The salary is equal to the work of number of the fulfilled hours on the hour tariff rate of compensation established for this category of workers.

Poverty threshold – standardly established level of monetary income of the person, family in a definite time which provides a physical living wage. Potential labor the enterprises, the region, the countries are the labor opportunities located in the present and assumed in the future characterized by quantity able-bodied, their professional and educational level and other qualitative characteristics.

The consumer budget of family – the table of income and expenses of family for a certain period of time (month, year).

Award (Latin *praemium* – an award) – monetary or material encouragement for achievement, merits in work.

The principles (Latin *principium* – a basis, the beginning) – the basic rules of activity, starting positions of any theory.

Relations of production are human relations in the course of production, exchange, distribution and consumption of material benefits.

Labor productivity – the efficiency of use of human resources estimated by quantity of the products in natural or monetary value made by one worker for unit of time (hour, day, month, year).

Production capacity of the enterprise – the actual volume of products which can be made at full use of resources (including labor).

Living wage – cost minimum necessary a forehead - a century of set of the benefits, the vital means allowing to support activity.

Profession – a sort of work of the person, a subject of its regular jobs and also the evidence of existence at it of knowledge,

abilities, experience allowing to carry out competently this type of works.

Work – a look and the place of work of the person, participation in process of creation of values. Labor – ability of the person to work, its labor opportunities; total number of persons at efficient age (of 16 years to the accepted age of a contact to him) working or the unemployed. Working hours – time of active stay at work connected with performance of direct labor duties.

Workplace – the spatial zone equipped with necessary means for performance of certain works, assigned to one worker or group of workers.

Division of labor – differentiation, work specialization leading to growth of efficiency of its separate types and together with the subsequent labor co-operation to increase in the end results work howl activity

The category qualification – the indicator in the form of serial number (the first category, the second, ...) characterizing degree of qualification of the worker and determining the amount of its salary.

Quotation – the established amount of monetary payment of separate operations of technological process, types of works and services, productions of a unit of production at price-work compensation.

The real wage – quantity of the benefits, consumer goods and services which really for salary can be got; is defined not only by the amount of the nominal salary, but also level of prices for consumer goods and services, besides, it decreases by the amount of the taxes paid from the salary.

Regulations (from fr. reglement – the rule) – the rules establishing character, an order and limits of work in the organization.

The summary (from fr. resume – a short conclusion, the conclusion) – a set of information about the applicant for work made by certain rules.

Labor market – the system of formation of supply and demand on labor arising when the worker is the owner of the ability to work.

Price-work compensation is a form of compensation at which the salary is established according to quantity of the made (made) products of the set quality.

Employees are the persons which are carrying out unlike workers administrative, administrative functions, office workers.

Social protection – function of the state on observance of the rights and guarantees of the person in a look: regulations of the

relations of hiring and policy of employment, guarantees of minimum wage, income indexation in connection with increase in prices, obligatory social insurance working, social security disabled, free general and professional education, health protection, etc.

The social sphere – set of the industries, enterprises, the organizations which are directly connected with quality of life of people: education, health care, culture, social security, public service, transport, communication, etc.

Social partnership – form of cooperation of hired workers (their unions) with employers (their associations).

Social insurance the system of providing – established, controlled and guaranteed by the state disabled, aged at the expense of the public insurance foundation and also collective and private insurance funds.

Structural unemployment – is caused by changes in structure of demand and the production technology that leads to emergence of need for new professions and release of workers such professions which are not possessing.

Tariff system – set of the normative documents regulating the salary depending on complexity of works, qualification of workers, education, intensity of work and its conditions, the location of the enterprises (from a position of climatic conditions), length of service. Consists of the tariff and qualification reference book of works and professions, the qualification reference book of positions of heads, experts and other employees, includes scales of charges, the tariff rates, official salaries, surcharges and extra charges of tariff character.

The territorial tariff agreement – the instrument of collective and contractual regulation of the salary establishing the coordinated position of territorial trade union associations, employers and authorities, and joint actions for its realization.

Work – process of conscious, expedient activity of people, concerning modification of objects of the nature and the device for satisfaction of the requirements. The employment contract – see "the employment contract". Labor potential – see "the labor potential".

Human resources – economically active, able-bodied population, that is the part of the population having physical and spiritual abilities for participation in work.

Labor disputes are disagreements between workers and administration of the enterprise for questions of working conditions, its payment, hiring and dismissal from work, lasting the holidays, etc.

The working capacity is a possibility of the person to carry out labor operations and to participate in work; is defined by the state of health and age.

Poverty level – the amount of income providing a living wage.

Unemployment rate – the share of the unemployed expressed as a percentage as a part of economically active population.

The standard of living – set of the conditions and indicators characterizing a measure of satisfaction of the basic vital needs of people: material, spiritual, social.

Working conditions – set of the technological, sanitary and hygienic, household factors defining the state of health of the worker, his relation to work, effectiveness of work.

Wage fund – the total funds of the organization intended on payments during certain time of the salary, bonus, different surcharges.

Fordizm – the system of the organization of work in line mass production based on unification of work and a konveyerization. Forms and the systems of compensation – the ways of the organization of the salary which are carrying out its communication with results of work.

Cyclic unemployment – the decrease in employment caused by declines in production during business motion cycles of economy.

Man-hour – the unit of measure of working hours corresponding to hour of the actual work of one person.

The human capital – the capital embodied in people in uniform of their education, education, qualification, knowledge, experience, abilities to communication, discipline, morality and defining labor opportunities of the person in the form of labor return and quality of work.

The state – the constant list of employees of the organization.

The staff list – the list of numerical list of employees of the organization with the indication of their quantity, positions, official salaries, features of payment.

Economically active population – the part of the population occupied with the socially useful activity bringing income.

The economic person – the conditional concept characterizing behavior of the average person who is rationally conceiving and acting proceeding from the principle of obtaining the maximum benefit.

Elite – the most visible and significant figures of any part, a sector of society. For example, political, financial, creative elite.

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