

Management of Innovations and Projects in the System of Improving the Performance of Personnel as a Factor in Ensuring the Competitiveness and Investment Security of the Enterprise

Marta Kopytko [†], Yulia Nikolchuk ^{††}, Svitlana Urba ^{†††}, Rostyslav Darmits ^{††††}

journalitm@ukr.net

[†] Lviv State University of Internal Affairs, Lviv, Ukraine

^{††} Khmelnytskyi Cooperative Trade and Economic Institute, Khmelnytskyi, Ukraine

^{†††} Ivan Franko National University of Lviv, Lviv Ukraine

^{††††} Lviv Polytechnic National University, Lviv, Ukraine

Abstract

The main purpose of the study is to analyze the features of innovation and project management in the system of improving the performance of personnel as a factor in ensuring competitiveness and investment security. For the successful operation of enterprises, regardless of their form of ownership and field of activity, in order to carry out effective activities, they turn to innovative methods related to the formation of the potential of the workforce, and increasing the level of education and qualifications of staff and establishing their potential ability to make independent decisions. Based on the results of the study, the key features of innovation and project management in the system of improving the performance of personnel as a factor in ensuring competitiveness and investment security are characterized.

Keywords:

management, innovation, competitiveness, project, investment security.

1. Introduction

The efficiency of modern enterprises, their position in the market and business environment will increasingly depend on the human factor, that is, the human resources of the enterprise. The importance of human resources is directly reflected in the complexity of the personnel management process, the scope of functional duties of employees and the level of knowledge are defined. The existing approaches and concepts of the identified problem can be summarized in some trends, which are characterized by: formal recruitment methods; the development of human resource management as a management process, and not as a science; highlighting the element of personnel management as a guarantor of the commercial activities of the enterprise. The described trends in human resource management should be taken into account in the implementation

of general management in the aggregate by all departments of the economic system Human resource management is a strategic task, which is the development of a personnel strategy that will be based on making joint efforts to promote its development and promotion of individual functions that reduce labor costs and create a positive social and psychological atmosphere in the workplace.

Considering the problems faced by the personnel management of modern enterprises, it should be noted that an effective enterprise human resource management system in the context of ensuring competitiveness and investment security should include: periodic innovations and investments to develop the working potential of employees in order to maximize labor productivity and personal intellectual realization. Moreover, the unpredictable variability of the external environment requires that the existing methodological approaches to the management of human personnel are constantly reviewed and, if necessary, immediately rationally adjusted in accordance with business conditions. Enterprise personnel management must be systematically checked, that is, as interrelated elements, principles, tasks, resources, etc. Personnel management in the context of ensuring competitiveness and investment security is one of the most important tasks of enterprise management as a whole. The overall performance of the enterprise depends on an effective personnel management system, which is the most important lever for the effective operation of the enterprise as a whole. If this "lever" is based on quality management, business processes will be carried out systematically and smoothly. Personnel management is a complete and

decisive influence on the optimal conditions for creative initiatives and effective work of personnel to achieve the goals of the enterprise. It should be said that in every enterprise, relations with personnel are one of the key points, as a result of which it develops. As a result, the role of personnel management cannot be overstated. A properly selected and motivated team of professionals can solve the most difficult tasks in the context of ensuring competitiveness and investment security, and, conversely, a team with internal conflicts and unhealthy competition leads even to the failure of the most effective project.

The main purpose of the study is to analyze the features of innovation and project management in the system of improving the performance of personnel as a factor in ensuring competitiveness and investment security.

2. Methodology

The methodology used is determined by the specifics of the chosen topic of the article, which combines both general theoretical and administrative-legal elements. The article used the dialectical method; it provided an opportunity to explore the nature of the innovation and project management system. Also, the research is based on an interdisciplinary approach, which made it possible to study the subject of research from the standpoint of economics and law.

3. Research Results and Discussions

In the conditions of modern market economy and great competition between enterprises, only those organizations that are able to provide their consumers or clients with high-quality service can withstand a tough fight. In order for the company's employees to be able to offer high-level service to people, the company must have professionally trained and qualified personnel. Therefore, in order to carry out effective activities, companies turn to innovative methods of personnel management. There are many methods of personnel management, but despite this, their improvement and search will never stop. After all, people and technology are constantly evolving, so for the effective operation of the organization, you need to look for more innovative methods of managing your employees.

The personnel of the enterprise is the basis of any innovation process, because the employees of the enterprise provide innovative ideas and create new projects. Therefore, the organization raises the question of how to properly manage this staff, so that they bring their ideas to life and thus help the company develop. The personnel management system ensures effective work in the field of personnel and helps to eliminate shortcomings that may arise in the process of work or production. The introduction of innovations in the personnel sphere requires the enterprise to change in the education and training of personnel, in hiring, information support for workers, as well as in the psychological support and motivation of their subordinates. To solve these problems, there are ways to manage personnel.

An important axiomatic postulate of the modern economy is that innovative approaches in market conditions of management and competition are a priority for the economic development of any enterprise. It is from this that the need to develop innovative measures in all areas of activity of industrial enterprises follows. The competitive economic growth of companies and their structural units is based on the introduction of technical, economic, organizational, managerial and social innovations. The primary and basic in this case is the development and implementation of innovative approaches in the organizational, managerial and social sphere, since the overall result of its activities depends on the effective management of all areas of the enterprise. At the same time, the emphasis on improving approaches to innovative personnel management is an urgent requirement of the present. The pace of development is increasing. And only an optimally formed and managed team, consisting of professionals capable of accurately performing work functions, potentially ready for development and growth, is the basis for the formation of an innovatively active and efficiently operating organizational and economic mechanism for the development of an enterprise. The development of enterprises is now taking place under adverse conditions. Signs and reasons for this are macroeconomic and geopolitical complications, lack of stability in the country, as well as internal reasons: significant wear and tear of fixed production assets, low organizational, technical and financial and economic level of enterprises, shortage of trained highly professional personnel, lack of appropriate

economic incentives for career development of personnel ; low level of social standards at the enterprise. Depending on the market situation and the economic condition of an industrial enterprise, its management has a certain range of methods of influencing personnel management in the context of ensuring competitiveness and investment security. Among these methods, innovative approaches to recruiting personnel, motivating their professional development, their targeted material incentives, as well as raising social standards in the context of ensuring competitiveness and investment security are substantiated as key at this stage [1-10].

Among the problems on which the trends in the dynamics of the economic development of enterprises in the crisis and post-crisis period depend, one of the key places is occupied by problems related to the optimization of personnel management. Various studies show that it is the activation of innovative personnel and organizational management that is an important basis for economic growth. This is confirmed by many economic theories, the differences are only in what methods should play the main role in bringing enterprises to a qualitatively new level of development. However, they all consider innovative personnel management as the foundation of economic growth. The choice of an innovative way of activity as the main factor influencing personnel management for economic growth poses the problem of developing an appropriate mechanism. From the point of view of modern studies of personnel management, it is advisable to focus on such important factors of personnel management as recruiting, personnel development, and the development of socially oriented measures. In view of the foregoing, it is advisable to consider the above three factors as the basis for the mechanism of innovative personnel management of an enterprise.

The use of innovative organizational and managerial approaches is of great importance for reducing recruiting costs, and, consequently, for increasing the economic efficiency of the entire process of attracting qualified personnel. Investments in innovations related to the improvement of recruiting and staff development, as well as to the increase in social standards at the enterprise, are generally considered to be the most progressive and strategically important. This is due to the fact that such investments in their bulk have a fairly long

payback period, and, consequently, the economic efficiency of the appropriate level in the short term is not always possible to form. However, those strategic competitive advantages that investments in this direction will bring will have a significant economic effect for the enterprise in the context of ensuring competitiveness and investment security.

The high level of aggressiveness of the economic environment that is currently observed causes the search for innovative solutions regarding the efficiency of the functioning of business structures at all stages of their activities. One of the innovative solutions that can be used by an enterprise is the digitalization of economic activity processes. Digitalization processes change business, demonetize and democratize the scope of the enterprise, act as a source of sustainable competitive development of business entities based on customer focus and synergy. The digitalization of economic activity is one of the driving forces behind the development of an enterprise by increasing productivity and increasing profits through the creation of fundamentally new products and services. At the same time, the introduction of digital technologies entails the need to reform all business processes of an enterprise and, above all, the transformation of personnel management processes in the context of ensuring competitiveness and investment security [11-14].

The key aspects of digitalization of the system for improving the performance of personnel as a factor in increasing the competitiveness of an enterprise are presented in Figure 1.

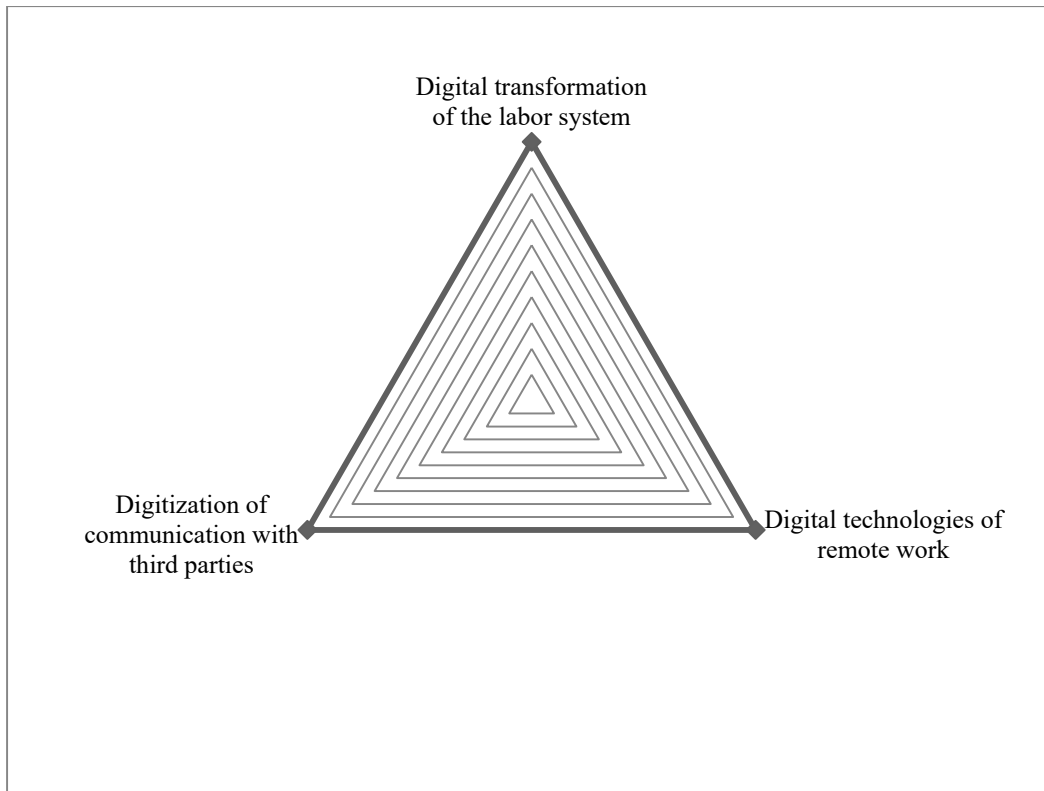


Fig.1. The key aspects of digitalization of the system for improving the performance of personnel as a factor in increasing the competitiveness of an enterprise

To implement innovations in the context of ensuring competitiveness and investment security, in particular the introduction of digitalization processes, it is necessary to identify the main areas of personnel work that require improvement: management of input personnel flows. This step involves an analysis of the availability of personnel with competent knowledge in the field of digitalization, planning of competent needs for personnel, interviewing and selecting personnel, hiring and concluding an agreement (contract); management of personnel flows within the enterprise (arrangement and use of personnel according to the needs of the enterprise, strengthening of weak personnel links, personnel career management); management of initial personnel flows (staff release). The positive effect of the use of elements of digitalization in personnel activities is: increasing the level of productivity and quality of work; reduction of time spent on filling vacancies; increasing the level of motivation of employees; increasing the level of satisfaction of employees with work through the full

implementation of both professional potential and personal career ambitions; lowering the level of staff turnover [15-17].

The key problems that negatively affect the management of innovations and projects in the system of improving the performance of personnel as a factor in increasing the competitiveness of an enterprise are presented in Figure 2.

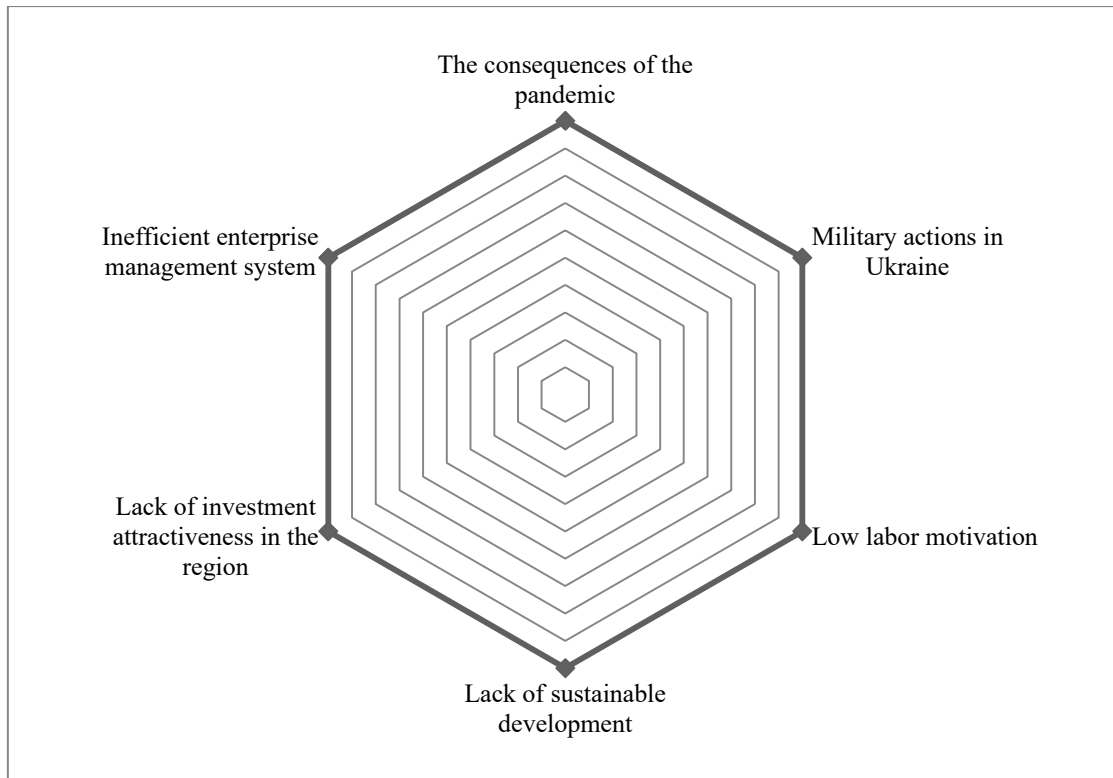


Fig.2. Key problems that negatively affect the management of innovations and projects in the system of improving the performance of personnel as a factor in increasing the competitiveness of an enterprise

Modern personnel management methods are tools based on the individuality, intelligence and ability of each employee. Traditional management methods have long been outdated, although in some cases it is impossible without them. The innovative personnel management system is a flexible management system that takes into account the needs of personnel capable of fully developing, implementing and using innovations. It follows that the prerequisites for innovative development are determined primarily by the presence of experts capable of developing new ideas. Only in a developed and competitive market environment can all the principles of innovative development and management be implemented.

4. Conclusions

The specific role of innovation in personnel management is aimed not only at changing existing practices, but also at creating new practices that are fundamentally different, in line with the continuous

generation of advanced technologies. Innovations in the personnel management system can be carried out in two forms: with a gradual improvement in certain aspects of work (current) and a radical and significant improvement in the overall management system (breakthrough).

Effective enterprise management in the context of ensuring competitiveness and investment security is one of the most urgent tasks of domestic enterprises today. In the process of forming this process, many factors are involved, the most important of which is effective personnel management. At the same time, it is necessary to take into account such properties of personnel as: competence, knowledge, skills, motivation, discipline, ability to think, the ability to solve various issues with a positive attitude towards innovation - the success of an enterprise in the context of ensuring competitiveness and investment security depends on the possession of such skills.

References

- [1] Frolova, L., Zhadko, K., Ilyash, O., Yermak, S., & Nosova, T. Model for opportunities assessment to increase the enterprise innovation activity. *Business: Theory and Practice*, 22(1), 2021, 1-11. <https://doi.org/10.3846/btp.2021.13273>
- [2] Bochkovskii, A., & Gogunskii, V. Development of the method for the optimal management of occupational risks. *Eastern-European Journal of Enterprise Technologies*, 3(3(93)), 2018, 6–13. <https://doi.org/10.15587/1729-4061.2018.132596>
- [3] Frolova, L., & Kravchenko, O. Management of enterprise business model transformation based on value spread modelling. *Actual Problems of Economics*, 158(8), 2014, 506–515.
- [4] Kramskoy, D., & Kolotyuk, O. Analysis of the tools of research of innovative development of the enterprise. *Business Inform*, 5, 2013, 253–258. https://www.business-inform.net/export_pdf/business-inform-2013-5_0-pages-253_258.pdf
- [5] Wendra, W., Sule, E. T., Joeliaty, J., & Azis, Y. Exploring dynamic capabilities, intellectual capital and innovation performance relationship: evidence from the garment manufacturing. *Business: Theory and Practice*, 20, 2019, 123-136. <https://doi.org/10.3846/btp.2019.12>
- [6] Alcaide-Marzal J, Tortajada-Esparza E. Innovation assessment in traditional industries. A proposal of aesthetic innovation indicators. *Scientometrics* 2007, (1): 33-57. <http://doi.org/10.1007/s11192-007-1708-x>
- [7] Breznik L, Hisrich R.D. Dynamic capabilities vs innovation capability: are they related? *Journal of Small Business and Enterprise Development* 2014, (3): 368-384. <http://doi.org/10.1108/jsbed-02-2014-0018>
- [8] Zabelavičienė, I. The creativity factors of innovation team. *Business: Theory and Practice*, 13(2), 2019, 167-175. <https://doi.org/10.3846/btp.2012.18>
- [9] Apostol, A. C. ., Irimescu, G., Radoi, M., & Ionițe, C. Education During the Pandemic. Professional Training of final-year Social Work and Medical Students. *Revista Romaneasca Pentru Educatie Multidimensionala*, 14(1Sup1), 2022, 223-242. <https://doi.org/10.18662/rrem/14.1Sup1/547>
- [10] Strazdas, R., & Zabelavičienė, I. Methodical aspects of innovation costs calculation system. *Business: Theory and Practice*, 2006, 7(2), 89-97. <https://doi.org/10.3846/btp.2006.11>
- [11] Kopytko M., Grabar N., Storozhuk O., Borutska Y., Doroshenko T.. Influence of Negative Factors of War: Economic, Legal, Regional and Environmental Aspects. *International Journal of Computer Science and Network Security*. 2022. Vol. 22. No. 6. pp. 13-18. <https://doi.org/10.22937/IJCSNS.2022.22.6.3>
- [12] Kopytko M., Franchuk V., Panchenko V., Viunyk O., Myshchysyn O. Impact of Military Actions on the EU Labor Market. *International Journal of Computer Science and Network Security*. 2022. Vol. 22. No. 5. pp. 25-30. <https://doi.org/10.22937/IJCSNS.2022.22.5.5>
- [13] Blikhar. V., Kopytko M., Patsula O., Synenkyi V., Bulachek V. Management and Legal Aspects of Economic Security of Enterprises in the Process of Innovation. *Financial and Credit Activity: Problems of Theory and Practice*, 2022. 6(41), 360–368. <https://doi.org/10.18371/fcaptp.v6i41.251445>
- [14] Kopytko M., Chyrva O., Stavskaya Yu., Karvatska N., Chyrva H. Agile Management (Management 3.0) as the Basis of the Management System in the Conditions of Globalization. *International Journal of Computer Science and Network Security*. Vol. 22. 2022. No. 2 pp. 101-106. <https://doi.org/10.22937/IJCSNS.2022.22.2.13>
- [15] Blikhar V., Kopytko M., Lychenko I., Vinichuk M., Polishchuk R. Assessment of the level of economic security of innovative enterprises: economic and legal aspect. *Financial and Credit Activity: Problems of Theory and Practice*, 2021. 3(38), 240–248. <https://doi.org/10.18371/fcaptp.v3i38.237453>
- [16] Sylkin, O., Buhel, Y., Dombrovska, N., Martusenko, I., & Karaim, M. The Impact of the Crisis on the Socio-Economic System in a Post-Pandemic Society. *Postmodern Openings*, 12(1), 2021, 368-379. <https://doi.org/10.18662/po/12.1/266>
- [17] Sylkin, O., Bosak, I., Homolska, V., Okhrimenko, I., & Andrushkiv, R. Intensification of Management of Economic Security of the Enterprise in the Post-Pandemic Space. *Postmodern Openings*, 12(1Sup1), 2021, 302-312. <https://doi.org/10.18662/po/12.1Sup1/286>