# MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE SUMY STATE UNIVERSITY

Educational and Research Institute of Business, Economics and Management Department of International Economic Relations

«Admitted to the defense»

Head of the Department

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\_\_\_\_\_ 20\_\_ p.

### **QUALIFICATION PAPER**

#### It is submitted for the Master's degree

Specialty 292 "International Economic Relations"

on the topic "PERSONNEL MANAGEMENT IN INTERNATIONAL CORPORATIES ON THE EXAMPLE OF "NETCRACKER" LLC"

Student \_\_\_\_2d\_\_\_ Course

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(group's code)

It is submitted for the Master's level degree requirements fulfillment.

Master's level degree qualification paper contains the results of own research. The use of the ideas, results and texts of other authors has a link to the corresponding source

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Sumy, 2023

# MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE SUMY STATE UNIVERSITY

Educational and Research Institute of Business, Economics and Management Department of International Economic Relations

#### TASKS FOR MASTER'S LEVEL DEGREE QUALIFICATION PAPER

(specialty 292 " International Economic Relations " ) student <u>2d</u> course, group <u>MБ.м-21ан</u> (course number ) (group's code ) <u>Yevchenko Alina Yevhenivna</u> (student's full name )

The theme of the paper is <u>"Personnel management in international corporations on the example of "NETCRACKER" LLC</u>" approved by the order of the university from 29.11.2023 №1371-VI.

2. The term of completed paper submission by the student is (26) December 2023

3. The purpose of the qualification paper is review and analysis of personnel management systems in international companies using the example of the "Netcracker" group. Theoretical foundations, effectiveness and definition of human resource management strategy in the context of international business. Determination of key competencies of managers and characteristics of international human resources management.

4. The object of the research is personnel management systems in international corporations, in particular the company "Netcracker".

5. The subject of research is theoretical foundations of personnel management in international companies, the work of the personnel service, regulatory, methodological and technological support, evaluation of the effectiveness of personnel management systems in the company "Netcracker", key competencies of managers and factors of international personnel management.

6. The qualification paper is carried out on materials official information of the "Netcracker" company, theoretical sources on personnel management in international companies, statistical data on the work of the personnel service and personnel development, analytical materials on key aspects of international personnel management, as well as research results in the field of personnel management strategies.

7. Approximate master's level degree qualification paper plan, terms for submitting chapters to the research advisor and the content of tasks for the accomplished purpose is as follows:

Chapter 1 <u>Theoretical and methodical foundations of the investigated problem</u>, November, 15, 2023.

(title, the deadline for submission )

Chapter 1 deals with <u>analysis of the essence of personnel management systems.</u> <u>Reflections on the work of personnel services and personnel policy in international</u> <u>business.</u>

(the content of concrete tasks to the section to be performed by the student  $% \left( {{{\bf{x}}_{i}}} \right)$  )

Chapter 2 <u>Analysis and evaluation of the investigated problem using the example of</u> <u>Netcracker</u>, December, 5, 2023.

(title, the deadline for submission )

Chapter 2 deals with <u>Netcracker company profile</u>. <u>Analysis of key competencies of</u> personnel services and managers. Peculiarities of international human resources <u>management</u>.

(the content of concrete tasks to the chapter to be performed by the student  $% \left( {{{\bf{x}}_{i}}} \right)$  )

Chapter 3 <u>Development and economic justification of recommendations and measures to</u> solve the problem in the Netcracker Company, December, 26, 2023.

(title, the deadline for submission )

Chapter 3 deals with <u>recommendations for improving the work of human services</u> resources and human resource management strategies in the changing environment of international business.

(the content of concrete  $\, tasks \, to \, the \, chapter \, to \, be \, performed \, by \, the \, student \,$  )

8. Supervision on work:

	Full name and position of the	Date	
Chapter	advisor	task issued by task	
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1	Svitlana Tarasenko, senior	01.11.2023 15.11.2023	3
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2	Svitlana Tarasenko, senior	15.11.2023 05.12.2023	3
	lecturer		
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	lecturer		

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#### **INTRODUCTION**

In the conditions of the formation of new management mechanisms, oriented to the market economy, enterprises face the need to work in a new way, taking into account the laws and requirements of the market, mastering a new type of economic behavior, adapting all aspects of production activity to the situation. In this regard, the contribution of each employee to the final results of the enterprise's activity increases. One of the main tasks for enterprises of various forms of ownership is the search for effective methods of labor management that ensure the activation of the human factor.

Personnel management is a system of interconnected organizational, economic and social measures to create conditions for normal functioning, development and effective use of the organization's personnel potential and is a subsystem in a more global system of business management carried out within a certain organizational hierarchical structure.

Personnel management simultaneously acts as a system of organizations, as a process and as a structure. As a system, it represents a system of interconnected organizational, economic and social measures to create conditions for normal functioning, development and effective use of the organization's personnel potential.

Management mechanism - a system of management bodies, means and methods aimed at meeting the enterprise's need for labor of the required quality, quantity and by a certain time.

The personnel management system is the basis of the organization's management, as it implements the main task of management - the organization of activities.

The effectiveness of management directly depends on the quality of personnel management.

To increase the efficiency of management in personnel management, the issues of personnel optimization come to the fore, which are especially important for organizations that are going through phases of crisis or are in a recession. First, the need for personnel management is to ensure the correspondence of subjective professional experience, which is carried by people, to the objective professional experience embedded in the structure of positions and workplaces. The solution to this problem is dynamic in nature, due to the constantly changing factors of the external and internal environment.

In addition, the need to implement a personnel management system is due to:

1) The readiness of the head of the enterprise or his team to assess the importance of personnel management in realizing the professional capabilities of personnel;

2) The availability of financial opportunities to create a personnel management system;

3) Provision of the organization with trained personnel management specialists. The personnel management system includes such subsystems as personnel planning, recruitment and dismissal, training and development, motivation and reward, organization of activities, evaluation and certification of personnel.

The effectiveness of personnel management is determined by the work of the personnel service or the personnel policy of the organization.

Personnel policy - a system of theoretical views, ideas, requirements, principles that determine the main directions of work with personnel, its forms and methods.

It defines the general direction and basics of work with personnel, general and specific requirements for them and is developed by the owners of the organization, top management, personnel services. The determining subject of personnel policy in society is the state.

Personnel policy is based on the personnel concept of the organization, which, along with the production, financial and economic, scientific and technical, marketing policy, is an element of the general concept of its development.

Therefore, the formation of an effective personnel management system and personnel policy is one of the most important tasks of modern management.

The purpose of this thesis is to study the personnel management system and the work of the Netcracker personnel service.

The goal is specified by a number of tasks:

1. Analysis of the theoretical foundations of the personnel service and personnel management system;

2. Analysis of the work practices of the personnel service and the personnel management system of Netcracker;

3. To develop directions for improving the work of the personnel service.

The object of the course work is the Netcracker organization.

The subject of the course work is the personnel management system of the enterprise and the work of the personnel service.

## 1. THEORETICAL FOUNDATIONS OF PERSONNEL MANAGEMENT IN INTERNATIONAL COMPANIES

1.1 The essence of the concept of "personnel management system"

Human resource management (HRM) is a complex concept that covers a wide range of issues, from developing the concept of human resource management and employee motivation to organizational and practical approaches to forming a mechanism for its implementation in a particular organization [1].

Modern HR management concepts are based on the recognition of the growing role of an employee's personality, knowledge of his or her motivational attitudes, and the ability to form and direct them in accordance with the organization's objectives.

The establishment of market relations was accompanied by a departure from the principles of hierarchical management, a rigid system of administrative influence, the creation of a new organizational culture, and the emergence of specific value systems. In Western companies, HR policy has always been in the field of view of their management, and today, it remains a management priority. The main goal of the HR management system is to create effective motivation and provide the company with highly qualified personnel, their productive use, and professional and social development.

To effectively manage an organization's personnel, a company must have a clear goal and a well-thought-out strategy for its development. Depending on the chosen goals, a strategy is developed - a program of actions that determines the development of the organization (expansion of production of the main products and their further promotion to the already developed markets, development of new products and their sale in the same markets, search for new markets, and diversification of production and sales activities), and the corresponding management model. Traditionally, strategy has been viewed as a multidimensional process that relates mainly to the external sphere of activity.

Today, it is generally recognized that its implementation depends largely on the human resource component. An optimal HR policy in terms of the company's long-term objectives, staff recruitment, and motivation creates conditions for making decisions that satisfy both the company's management and its employees. Moreover, while tactical steps can (and often do) lead to a clash between the interests of management and the ordinary people (dividend payments, social issues), strategic plans, on the contrary, unite them.

The labor management process can be divided into three components: attracting personnel, engaging personnel, and managing employee motivation. Staff involvement involves the following actions: a) determining the need for staff, b) recruiting and selecting staff, c) training and retraining, and d) dismissal.

The identification of labor needs is managed through various means, including planning, differentiating the need for different periods of time, and adjusting the workforce to reflect market conditions.

Recruitment and selection of personnel are carried out by the company itself or by special organizations commissioned by the company. The management of these processes is based on the principle that it is not a person for a job but a job for a person. The purpose of recruitment and selection is to provide the company with jobs of the required quantity and quality, and the employee with a job that takes into account his or her training, abilities, and inclinations, and, finally, opportunities.

Managing the selection and recruitment of personnel is a carefully thought-out process that is carried out based on the chosen strategy of the enterprise and measures to achieve it.

Staff redundancy is the reduction of surplus labor in terms of quantity, quality or geography.

Staff involvement as one of the components of labor management includes a) allocation of employees; b) controlling and developing staff; c) rotation and job enrichment

measures; d) career planning; e) performance evaluation; f) management of employees; and g) accounting for the impact of measures to manage labor motivation.

Employees are assigned to workplaces based on their suitability for job functions, taking into account the interests and aptitudes identified and studied during the probationary period or by other methods, as well as external working conditions.

Personnel control is a modern concept of personnel management. It includes the following: first, the development of a hypothesis for achieving economic and social efficiency in labor management; second, the coordination of various measures of the company's personnel policy with the policy, for example, in the field of technical modernization; and third, the preparation of information for making informed decisions [2].

Rotation, or the planned change of workplace for an employee, helps avoid monotony of work.

Employee career planning is planning in advance of the development of a particular employee during his or her employment at the enterprise, including the determination of the sequence of positions held by him or her according to the staffing table.

Employee management in labor management is carried out by setting goals and behaviors to enhance employee performance, including in unplanned situations.

In the process of labor management, attention is paid to the hierarchy of personnel subordination, centralization, and decentralization of management, and the competence of departments, services, and each employee is determined.

Depending on the strategy adopted, HRM methods can be conditionally grouped into the following types

- Administrative (focused on certain motives of human behavior–awareness of the need for work and labor discipline, sense of duty, work culture, etc.–directly affecting the staff through norms, regulations, and binding acts.

- Economic (indirectly affecting, based on material incentives for collectives and individual employees)

- Socio-psychological, based on the use of "formal motivation factors - interests, needs of the individual, group, team.

The success of human resources management depends directly on the level of qualification of the personnel employed in the service. Domestic practice shows that the level of education, professional training, and competence of personnel in state-owned enterprises are not high enough, the age composition is unfavorable, and the level of remuneration is low. The transition to joint-stock and private ownership has led to an improvement in the quality of HR staff, a rejuvenation of the personnel structure, a higher level of education and professionalism, and accordingly, a change in the perception of new ideas and methods of working with staff and an increased interest in work results [3].

#### 1.2 Fundamentals of the work of the personnel service. Personnel policy

The HR policy (a mechanism for developing goals and objectives aimed at preserving, strengthening, and developing human resources; creating a responsible, highly productive, and cohesive team capable of adequately responding to constantly changing market requirements) of prosperous Western companies is comprehensive and includes many areas.

A special place in the HR policy is occupied by planning, which includes determining the number and qualifications of required employees, ways of attracting them, and the possibility of reducing redundancies; maintaining staff knowledge in accordance with the organization's requirements and ensuring staff development; calculating the financial costs of planned HR activities; stimulating labor productivity; and creating conditions for job satisfaction [4].

Personnel management within an enterprise includes both strategic and operational aspects. The organization of personnel management is based on the concept of enterprise development, which consists of three parts.

- Production;

- Financial and Economic

Social (personnel policy).

The HR policy defines goals related to the company's relationship with the external environment (labor market and relations with state bodies), as well as goals related to the company's relationship with its personnel. A personnel policy is implemented through strategic and operational management systems. The tasks of personnel strategy include the following [5].

- Raising the prestige of the enterprise
- Study the atmosphere inside the enterprise.
- Analysis of prospects for the development of workforce potential
- Generalization and prevention of reasons for dismissal.

An enterprise's HR policy is a holistic HR strategy that combines various forms of HR work, the style of its implementation in the organization, and plans for the use of labor.

When analyzing the HR policies existing in specific organizations, there are two grounds for grouping them.

The first ground may be related to the level of awareness of the rules and norms that underlie HR activities and, related to this level, the direct influence of the management apparatus on the HR situation in the organization. Based on this, the following types of HR policies can be distinguished [6]:

- Passive
- Reactive
- Preventive;
- Active.

Passive HR policy. The idea of passive policy seems illogical. However, we may encounter a situation in which the organization's management does not have a clear program of action with regard to personnel, and HR work is reduced to eliminate negative consequences. Such an organization is characterized by the absence of a forecast of staffing needs, tools for assessing labor and staff, and diagnostics of the overall staffing situation. Management in the situation of such a personnel policy works in an emergency response mode to emerging conflict situations, which it seeks to resolve by any means, often without attempting to understand their causes and possible consequences [8].

Reactive HR policy. In line with this policy, the company's management monitors the symptoms of a negative situation in HR, the causes, and the crisis: the emergence of conflict situations, the lack of sufficiently qualified labor to solve the tasks, and the lack of motivation for highly productive work. The company's management took measures to localize the crisis, focusing on understanding the reasons that led to the emergence of personnel problems. The HR departments of such enterprises typically have the means to diagnose the current situation and provide adequate emergency assistance. Although HR problems have been specifically identified and addressed in enterprise development programs, the main difficulties arise in medium-term forecasting [7].

Preventive HR policy. In the true sense, a policy emerges only when the management of a company (enterprise) has reasonable forecasts of the situation. The personnel department of such enterprises has not only the means to diagnose personnel, but also to forecast the personnel situation in the medium term. The organization's development programs contain short- and medium-term forecasts of staffing needs, both qualitative and quantitative, and formulate staff development objectives. The main problem for such organizations is the development of targeted HR programmes.

Active HR policy. If the management has not only a forecast but also a means to influence the situation, and the HR department is able to develop anti-crisis HR programs, constantly monitor the situation, and adjust the implementation of programs in accordance with the parameters of the external and internal situations, then we can talk about a truly

active policy. However, the mechanisms that can be used by management to analyze the situation lead to the fact that the grounds for forecasts and programs can be both rational (conscious) and irrational (hardly amenable to algorithmisation and description).

On this basis, two types of HR policy are traditionally distinguished: open and closed.

An open HR policy is characterized by the fact that the organization is transparent to potential employees at any level, and one can come and start working from the lowest position to the top management. The organization is ready to hire any specialist who has the appropriate qualifications, regardless of work experience in the organization or its sister organizations. This type of HR policy is characteristic of modern telecommunications companies and automotive concerns, which are ready to "buy" people for any position, regardless of whether they have previously worked in similar organizations. This type of HR policy is characteristic organizations. This type of HR policy worked in similar organizations. This type of HR policy worked in similar organizations.

A closed HR policy is characterized by the fact that the organization focuses on the inclusion of new personnel only from the lower level of the organization, and replacement takes place only from among the organization's employees. This type of HR policy is typical for companies that focus on creating a certain corporate atmosphere, creating a special spirit of involvement, and possibly operating in conditions of a shortage of human resources.

Human resources policy is an integral part of an organization has strategically oriented policy. The purpose of the HR policy is to ensure an optimal balance between the processes of updating and maintaining the quantitative and qualitative composition of the staff in its development in accordance with the needs of the organization itself, the requirements of the current legislation, and the state of the labor market. It should be noted that HR does not start with a vacancy and does not end with recruitment. The HR process should be structured in such a way as to achieve the desired result in relation to any issue or problem in the HR area in the shortest possible time. Thus, in the course of forming the HR policy, ideally, the following aspects should be agreed upon [8, 9]:

- Development of general principles of HR policy and prioritization of goals

- Organizational and staffing policy - planning the need for labor resources, forming the structure and staff, appointments, creating a reserve, relocation;

- Information policy: creation and maintenance of a system of personnel information flow

- Financial policy: formulation of the principles of allocation of funds, ensuring an effective system of labor incentives;

- personnel development policy - ensuring the development program, career guidance and adaptation of employees, planning individual promotion, team building, professional training, and advanced training;

- Performance evaluation: analysis of compliance with the HR policy and the organization's strategy, identification of problems in HR work, assessment of HR potential (assessment center and other methods of performance evaluation) [10].

The process of forming an organization's HR policy is as follows. For example, some long-established organizations (in the domestic market, this is typical of enterprises working closely with foreign partners and foreign representative offices) have a documented understanding of the enterprise's HR policy, HR processes, measures, and norms for their implementation. Other organizations have a general understanding of how to work with staff but do not have a documented understanding or are in the process of developing one. If an enterprise is established and there is an interest in ensuring that the HR policy is carried out consciously, a number of stages of HR policy design are necessary.

Let's look at the views of individual scientists and the problems of personnel management studied by them in table 1.1:

Scientists	Problem	Approach	
Frederick	Systematization and	Applies scientific methods to improve the	
Taylor	optimization of production	efficiency of work tasks, develop standards and	
	processes.	determine optimal methods of work performance.	
Elton Mayo	Promoting the	Examines the impact of social relationships on	
	psychological health of	productivity, with an emphasis on the importance	
	employees and improving	of communication and group dynamics in the	
	the work environment.	workplace.	
Abraham	Understanding the needs	Identify a hierarchy of needs from basic	
Maslow	and motivations of	physiological levels to higher levels of self-	
	employees.	actualization and apply this hierarchy to staff	
		motivation.	
Douglas	Overview of Human	Overview of Human Resource Management	
McGregor	Resource Management	Approaches (Theory X and Theory Y).	
	Approaches (Theory X and		
	Theory Y).		
Peter Drucker:	Organizational Leadership	Emphasizes the importance of effective, results-	
	and the Use of Knowledge.	oriented management, strategic planning, and the	
		use of knowledge to achieve organizational goals.	

Table 1.1 - Scientists and the problems of personnel management studied by them.

## 1.3 Regulatory, methodological and technological support for the work of the HR department

Normative-methodical support of the personnel management system is a set of documents of an organizational, organizational-methodical, organizational-administrative, technical, normative-technical, techno-economic, and economic nature, as well as normative reference materials that establish norms, rules, requirements, characteristics, methods, and other data, which are used to solve the tasks of labor organization and personnel management and are approved in accordance with the established procedure by the relevant competent body or management of the organization [12].

Normative and methodological support create conditions for an effective process of preparation, adoption, and implementation of decisions on personnel management issues. It consists of the organization of the development and application of methodological documents, as well as the management of regulatory management in the personnel management system.

Normative methodological materials were grouped according to their content. There are regulatory and reference documents; documents of an organizational, organizational-administrative, and organizational-methodical nature; and documents of a technical, techno-economic, and economic nature. The first group includes the norms and standards necessary for solving organizational tasks and work planning in the field of material production and management [13].

The documents of the second group regulate tasks, functions, rights, duties of units, and individual employees of the personnel management system and contain methods and rules for performing personnel management work [14].

Documents of technical, techno-economic, and economic nature contain rules, regulations, and requirements that regulate the standards of all categories and types. Norms for planning premises and workplaces, standards, technical installations, tariff rates, surcharge coefficients, a business plan, an estimate of production costs, typical time standards, various reports, a system of safety standards, etc..

The most important internal organizational and regulatory document is the regulation of the subdivision. The structure of the provision on the department and service consists of the following parts: general part, main tasks (prospective and current), functions of the unit and list of works and operations, rights of the unit, organization of management of the unit, interaction with other units, and responsibility [15].

Based on standard documents, considering the specifics of the organization, employees of the personnel management service develop documents for internal use. Yes, the rules of internal procedures are important organizational and administrative documents.

Human resource management in international companies is a complex task due to the influence of different cultures, language characteristics and geographical distribution of employees.

One of the main characteristics is the need to adapt management strategies to different cultural contexts.

Cultural diversity requires managers to develop flexibility and cultural sensitivity to effectively communicate and manage international teams.

Given the diversity of languages, human resource management must ensure effective communication, so language barriers are also an important factor.

Geographic distance and differences in national laws also create challenges for human resource management in terms of virtual communication, adaptation to different legal frameworks and effective management of international teams.

The success of human resource management in international companies is determined by global competition.

Peculiarities of Personnel Management in an International Company are presented in Table 1.2.

Feature	Description
Cultural diversity	Requires adaptation of management strategies to different cultures.
Language barriers	Requires effective communication in conditions of linguistic
	diversity.
Geographical	Requires the use of virtual communication tools.
remoteness	
Various legislation	Requires understanding and compliance with various regulations
	and laws.

**Global competition** Requires flexibility and innovation in management approaches.

 Table 1.2 - Peculiarities of Personnel Management in an International Company

Companies must be flexible and innovative, adapting their strategies to international business conditions and ensuring high satisfaction and motivation of employees in all regions of the world.

The personnel service also has all normative acts based on which documents for internal use are drawn up:

- collective agreement;

- rules of internal labor regulations.

- Regulations on subdivisions (departments, services, and groups).

The most important organizational document is a Collective Agreement, which is developed with the direct participation of the personnel management department. A collective agreement is an agreement concluded by the labor team and the administration to regulate their relations in the process of production and economic activity for a calendar year.

Documents of an organizational and methodical nature include those that regulate the performance of personnel management. This includes:

- regulations on the formation of the personnel reserve in the organization;

- regulations on the organization of adaptation of employees;
- recommendations on the organization of recruitment and selection of personnel;
- regulations on the regulation of mutual relations in the team;
- regulations on payment and labor incentives;
- instructions on compliance with the rules of safety equipment, etc.

The basic document in the personnel service is the job description - a document that regulates the activities within the framework of each management position and contains requirements for the employee occupying this position. It can be compiled on the basis of the typical requirements for the position contained in the Qualification Guide for the positions of managers, specialists, and employees, but taking into account the specifics of the organization and socio-economic conditions.

Legal support consists in the use of means and forms of legal influence on personnel in order to achieve effective organizational activity.

The main tasks of legal support:

- legal regulation of labor relations between an employer and an employee;

- protection of the rights and legitimate interests of employees arising from labor relations;

- observance, implementation and application of the norms of current legislation in the field of labor and labor relations;

- development and approval of local regulatory acts of an organizational, administrative and economic nature;

- preparation of proposals for changing existing or canceling outdated and de facto invalid regulatory acts issued in the organization on labor and personnel matters.

The implementation of legal protection in the organization is entrusted to its managers and other officials (within the limits of the rights and powers granted to them when they perform organizational - management, administrative-economic, labor and other functions), as well as to the managers of the personnel management system and its employees on issues , are within their competence.

The main unit of conducting legal work is the legal department (if the size of the organization allows creating such a department). However, the specifics of personnel services include the day-to-day implementation of work related to hiring, firing, and transferring employees. All this requires certain legal knowledge to ensure a clear regulation of the rights and obligations of all participants in labor relations.

The main tasks of the legal department in this area are as follows:

- development of draft normative acts of the organization;

- legal examination of regulatory acts developed in the personnel management system for compliance with the requirements of legislation and their approval;

- organization of systematic accounting and storage of legislative and regulatory acts received by the organization and issued by it;

- informing units and services about current labor legislation;

- clarification of the current labor legislation and the procedure for its application.

The system of regulatory acts on labor includes general agreements, sectoral (tariff), special (regional), collective agreements and other legal acts that are applied directly in the organization.

Legal acts of a non-normative nature are orders and instructions that can be issued by the heads of the personnel management service and all its divisions.

Indicators for evaluating the effectiveness of personnel management in an international company are presented in Table 1.3.

Indicator	Description	
Global labor mobility	The number of international movements of workers.	
Level of employee satisfaction	The percentage of satisfied employees in different branches of	
	the company.	
Perception of corporate	Degree of implementation of corporate culture in all units.	
culture		
<b>Recruitment and Retention</b>	Percentage of employees successfully recruited and retained.	
Success		
Readiness	Percentage of employees who determine the possibility of	
for career development	career growth.	

 Table 1.3 - Indicators for evaluating the effectiveness of personnel management in

 an international company

Human resource management in international companies is a complex task that requires consideration of many factors, such as cultural diversity, language barriers and geographical distance. To succeed in global competition, companies must implement effective management strategies that take into account all these aspects.

Performance indicators are important for measuring progress and adapting management decisions to the specifics of the international environment [16].

Success in international business depends on the company's flexibility, innovation and ability to adapt to the diverse conditions of talent management around the world.

## 2. ANALYSIS AND EVAILUTION OF THE INVESTIGATED PROBLEM USING THE EXAMPLE OF NETCRACKER

2.1. General characteristics of the Netcracker company

The company "Netcracker" is an international innovative company in the field of development and implementation of software for communication operators.

The company was founded in 1993 and has been a world market leader for over 20 years [17].

The company "Netcracker" began its history as a startup aimed at developing software for effective management of telecommunication networks.

Netcracker quickly realized the high demand for its products and continued to grow and develop, expanding its customer base and influence in the industry [18].

For several years of operation, the company has achieved the status of an international partner with a large client base on different continents.

Netcracker has offices and development centers in many countries, interacting with different cultures and technological environments [19].

The main activity of "Netcracker" is the development and implementation of solutions for the management of telecommunication networks.

This includes software for business process automation, strategic resource planning, and integration and optimization of existing infrastructure.

"Netcracker" is known for its high-tech developments and innovative approach.

The company is constantly improving its products and introducing advanced technologies such as artificial intelligence, data analytics and the Internet of Things [20].

"Netcracker" focuses on corporate social responsibility in its activities and participates in projects of sustainable development, education and social assistance.

As part of this work, we analyze the Ukrainian branch of the Netcracker company.

The company is a legal entity and carries out its activities in accordance with the Constitution of Ukraine, the current legislation of Ukraine, the Statute and local regulations.

The goals of the activity are the expansion of the market, as well as making a profit.

Briefly describe the organizational structure of the company.

The structure of the Netcracker company plays a key role in ensuring the efficiency and coordination of the work of all departments and units. Let's consider the organizational structure of the company and its functional units in more detail [21].

1. Senior management:

This segment includes key management positions such as CEO (General Director), CTO (Technical Director) and other senior management positions. This level is responsible for strategic management of the company, definition of goals and directions of development.

2. Development Department:

The development department is the heart of the Netcracker company. Programmers, engineers and architects work here, who are responsible for creating and improving software for managing telecommunication networks. This department also includes testing and product quality teams to ensure the highest standard of development.

3. Department of technical support:

An important aspect of the company's activity is customer support. The technical support department provides reliable and quick assistance to clients in solving technical issues, provides consultations and interacts with other departments of the company to solve technical problems.

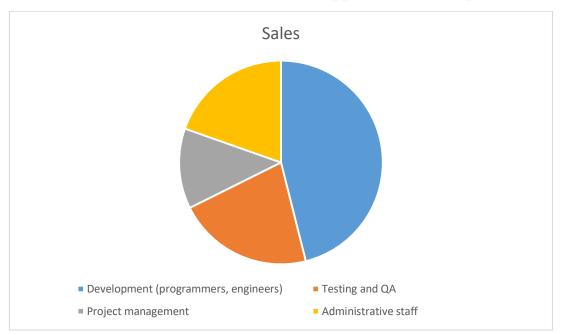
4. Technical department:

The technical department is responsible for the support and optimization of the company's technical infrastructure. It includes system administrators, network engineers

and security specialists who guarantee uninterrupted operation and security of information systems.

Such a structure allows the company "Netcracker" to effectively interact within the limits of its functional units and respond quickly to changes in the field of telecommunications. Further research will analyze the effectiveness of this structure and its impact on the company's performance.

The distribution of duties within the framework of the developed organizational structure is carried out in accordance with the job instructions existing in the organization, which define the rights and duties of each employee within the framework of the powers granted to him, as well as responsibilities in accordance with the rights and duties assigned to him [22].



In diagram, 2.1 data on Netcracker labor supply for 2021 are presented.

Diagram 2.1. Netcracker job security for 2021

As can be seen from diagram 2.1 the largest share in the personnel structure of the organization is occupied by developers (47%), and the smallest - project management (18%).

Let's note other trends in 2021:

1) A decrease in the share of employees aged 26-36 by 1% and an increase in the share of employees aged 37-50 by 7%;

2) Reduction of the share of employees over the age of 50 by 6%;

3) The gender structure of the organization's employees has changed in the direction of an increase in the share of women in the team by 5%;

4) The share of employees with 5-10 years of experience increased by 5%.

2.2 Analysis of the work of the company's personnel service

The structure of the personnel department is shown in diagram 2.2



Diagram 2.2 - the structure of the Netcracker HR department

Tasks of a staffing specialist:

1. Implement an effective personnel policy using the latest personnel technologies.

2. To organize the work of providing the enterprise with personnel of the necessary specialties and qualifications in accordance with the labor and salary plans, staffing schedule.

3. To carry out measures for the formation of a stable labor team, reduction of personnel turnover, and strengthening of labor discipline.

4. Carry out systematic work on the formation of a reserve for nomination to management positions.

5. To participate in daily work together with other divisions of the company in compliance by the company's personnel with the Rules of Internal Labor Procedures and Regulations on Work with Personnel [23].

Tasks of a personnel training specialist:

1. Carry out training, retraining and advanced training.

2. To formalize labor relations.

3. Participate in the study and evaluation of personnel.

4. Make proposals for internal personnel transfer in order to ensure the maximum return from each employee and the maximum quality of work.

5. Keep records of working hours.

Tasks of a personnel management specialist:

1. Recruitment.

2. Transfer and replacement of personnel.

3. Ensuring the necessary level of personnel qualification.

4. Development together with the economic planning department of perspective and current plans for staffing the enterprise, taking into account changes in the composition of employees in connection with the introduction of new equipment and technology, automation of processes.

5. Submission of proposals to the head of the enterprise to improve the placement and use of personnel.

6. Organization, formation and submission for review and approval of the Program of training and professional development of personnel.

7. Monitoring the proper implementation of the budget in the controlled part.

8. Preparation and systematization of materials during interviews for potential employees.

9. Preparation of necessary materials and provision of organizational measures for conducting psychophysiological examination of operative personnel.

10. Formalization of the reception, transfer and dismissal of employees in accordance with labor legislation, regulations, instructions, orders of the head of the enterprise, issuing various certificates to the employees of the enterprise.

11. Accounting of the personnel of the enterprise

The work of the company's personnel department has two directions: strategic and tactical.

Within the framework of the first, it is designed to contribute to ensuring the conditions of competitiveness and long-term development of the organization based on the regulation of relations between the organization and employees within the framework of business strategy.

In the framework of the second, current personnel work is carried out: status and planning of personnel needs, development of staff schedules; assessment and selection of personnel, planning of upcoming personnel transfers, dismissals; professional development and retraining, etc [24].

The personnel management policy of the company's personnel service is the policy of a single integrated company with a strong and stable corporate culture and a sound system of corporate values.

The basis of the Personnel Management Policy at Netcracker is the construction of a system that involves the creation of specific measures:

1. on the motivation of each employee to achieve the goals determined by the Netcracker strategy;

2. Defining criteria for assessing the degree of achievement of results;

3. From remuneration and encouragement of employees.

The main task of the personnel management policy is to create such a personnel management system, under which Netcracker would have a stable status of "the best employer" on the labor market.

The main components of personnel management policies are five interrelated areas, which help to achieve the company's business goals and implement the vision in the field of personnel management:

1. increasing work efficiency at all levels;

2. attracting the "best of the best" to work at Netcracker and ensuring effective use of their capabilities and potential;

3. training and development, personnel potential planning;

4. creation of an effective system of general remuneration;

5. building an effective and dynamic organization, its continuous development.

Personnel management policy Netcracker uses an integrated approach in the development and management of the above areas. Normative documents and procedures, information and technological support systems, other necessary components of the personnel management infrastructure are developed and built based on the provisions of the main components of the company's personnel management policy.

Personnel management services of Netcracker organizations manage the process of implementing the personnel management policy.

The company's personnel management policy ensures its maximum flexibility and ability not only to quickly adapt to changes in socio-political and foreign economic factors, but also to actively initiate and successfully implement the necessary changes and innovations.

In order to build an effective, dynamic and continuously developing organization, Netcracker will work in the following directions:

1. development and improvement of corporate culture, corporate brand and sociopolitical image of Netcracker;

2. development of Netcracker leadership potential;

3. development of Netcracker's ability to initiate changes, actively and effectively manage them;

4. building a system of intra-corporate information and knowledge exchange, as well as a system for collecting and recording employee suggestions;

5. building an integrated system of personnel management processes, including all stages and forms of interaction between employees and the Company, from recruitment and registration to retirement and further support [25].

The development and improvement of Netcracker's corporate culture involves the identification, formulation and constant work of promoting corporate values and principles of work, which are components of the "company's way". The company will carry out purposeful work on the formation of a corporate brand around three interrelated provisions:

1. Netcracker is the best company. This provision is specified due to the Company's competitive advantages and its socio-political image as a responsible corporate member of society;

2. Netcracker is a company that enables better work. This provision is specified through examples of providing opportunities for the development of professional skills and the acquisition of further work experience;

3. Netcracker is a company that provides decent general remuneration to all employees, that demonstrates consistently high results and commitment to corporate values. Leadership is one of the most important values of Netcracker. Leadership means:

1. Production and technological leadership in relation to competitors;

2. One of the most important corporate competencies, which is manifested in the desire for constant growth and improvement in all areas of the company's activity;

3. Personal leadership: identification and support of managers capable of becoming leaders, who demonstrate by their example commitment to corporate values and priorities, inspire a common vision and effectively guide the company through the period of transformation from a Ukrainian to a global energy company

#### 2.3 Analysis of the personnel management system

The Netcracker personnel management system has a central core, the basis of which in this case is a functional subsystem based on four organizational subsystems (diagram 2.3).

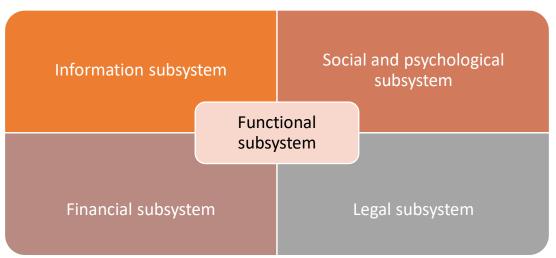


Diagram 2.3 - Netcracker personnel management system

The Netcracker functional subsystem is designed for effective personnel management, taking into account the creation of favorable socio-psychological and ergonomic working conditions [13].

For a better understanding of the work of the functional subsystem, consider its structure from the point of view of effective personnel management Netcracker.

To do this, we will highlight its main functions: the main one is effective personnel management; secondary - creation of favorable conditions for the work of personnel.

The Netcracker functional subsystem implements management tasks:

- Training and staffing;

- Placement and movement of personnel;
- Use of personnel;
- Social and psychological factors.

The information subsystem of the Netcracker personnel management system is designed for the collection, systematization and analysis of information necessary for making personnel management decisions [26].

Human resource management system evaluation is the process of determining the effectiveness and efficiency of the strategies and practices that a company uses to manage its employees.

This assessment includes an analysis of various aspects of human resource management, including: B.

Recruitment, human resource development, employee retention, motivation, etc.

Evaluations can be based on many important indicators, such as productivity, employee satisfaction, labor costs, meeting project deadlines, vacation and absenteeism rates, and conflict management and communication practices within the organization.

The goal is to identify the strengths and weaknesses of the human resource management system and develop improvement strategies.

This is an important element of strategic management aimed at optimal use of human resources and achievement of organizational goals.

The evaluation of the personnel management system for the Netcracker Company is presented in Table 2.1.

Indicator	2021	2022	2023
Labor productivity	\$100,000	\$120,000	\$150,000
Average time for	20 hours	18 hours	15 hours
Average break time	30 min	25 min	20 min
Percentageofcompliancewithproject deadlines	85%	90%	95%
Staff satisfaction	75%	80%	85%

# Table 2.1 - The evaluation of the personnel management system for the Netcracker Company

Labor productivity: An increase in sales per employee indicates a better use of resources and management of tasks.

Average break time: The shorter the break time, the better the work efficiency.

Average break length: A reduction in break length can indicate optimization of working hours and break management.

Meeting deadlines: An increase in the percentage of meeting deadlines indicates effective project and task management.

Employee satisfaction: Increased satisfaction indicates successful human resource management and teamwork [27].

In the past, the Netcracker information subsystem was essentially an ordinary filing cabinet containing information about employees.

Naturally, using such a system was, firstly, not always convenient, secondly, it took quite a lot of time, besides, the information contained in it was often not enough for the manager, due to which it was necessary to spend additional efforts and time to select all the necessary data .

Currently, in connection with the development of modern technologies and the widespread distribution of computers, the Netcracker information subsystem is implemented based on specialized software and is a complex multi-level database.

The Netcracker personnel database contains the following information:

- Profile data of company employees and possible candidates for vacant positions;

- Excerpts from laws, by-laws and various orders related to personnel service and personnel managers (the main ones are the Labor Code and the Civil Code);

- Methodological guides for calculating various indicators related to personnel management (number of personnel, wages, etc.);

- Information related to the motivation of employees (information about the bonus and incentive system);

- Information about employees undergoing internships advanced training courses, training, etc.

The financial subsystem of the Netcracker personnel management system is intended for finding funds for solving personnel management tasks, including hiring, selection, effective use and development of personnel.

The socio-psychological subsystem of the Netcracker personnel management system is designed to provide social and psychological support for management functions (motivation, adaptation, creation of a favorable climate in the team, formation of work groups, conflict management).

The task of this subsystem, in particular, includes checking Netcracker employees for psychological compatibility when forming work groups.

The legal subsystem of the Netcracker personnel management system is designed to ensure compliance of the actions of personnel managers and the entire personnel system as a whole with the requirements and conditions of the legal framework.

There are two levels of the legal subsystem:

1) State, in which the main legislator is the state itself in the form of the government or parliament, as well as various state services (Employment Fund, Pension Fund, etc.). At this level, the legal framework includes a set of the most important government resolutions and laws of Ukraine.

2) The level of the enterprise, at which the legal foundations are formed by the founders of the enterprise or its management. Defined by the following legal documents:

- The charter of the enterprise;

- Founding agreement, (An important organizational document of Netcracker is the collective agreement. In order to regulate labor relations and coordinate the socio-economic interests of Netcracker employees and its management, a collective agreement was concluded.

This collective agreement was concluded based on the law of Ukraine and is a legal act. In this contract, the management of the Netcracker company agreed on the responsibilities of the parties, ensuring employment and regulation of dismissals, production and economic activity, remuneration and rationing, security, working hours and rest time, professional training and retraining, social development of the team, satisfaction of interests and needs workers);

- a contract with the administration (similar contracts are concluded with the top management of the enterprise).

In Ukraine, the main provisions defining the relationship between the employee and the employer are specified in the Labor Code. They regulate, in particular, the following basic issues [28]:

- The procedure for concluding collective agreements;
- Ensuring employment and guaranteeing the realization of citizens' right to work;
- Time of work and rest;
- Salary;
- Guarantees and compensations;
- Labor discipline;
- Work of women and youth;
- Benefits for different categories of employees;
- Labor disputes;
- Trade unions;
- Powers of labor collectives;
- State social insurance.

An analysis of the Netcracker company and its personnel management system shows that the company has achieved success in the innovative field of software development for telecommunications operators.

The organizational structure is effectively aimed at achieving our strategic goals, and the human resources management system is based on an integrated approach. The organizational structure of "Netcracker" includes departments of management, development, technical support and technologies, which contribute to effective interaction between functional areas and rapid response to changes in the telecommunications sphere of Masu.

An analysis of the workforce structure shows that Netcracker is actively implementing strategies to attract and retain talent, and changes in 2021 indicate the company's impact on the labor market.

Netcracker presents several potential problems for human resource management.

Workforce age: If the share of workers aged 26 to 36 declines and the share of workers aged 37 to 50 increases, a talent shortage may emerge.

Young employees drive energy and innovation.

Approach Gender imbalance: Changes in the gender structure of organizations (increasing the share of women) require additional measures to ensure gender equality and create a positive work environment for all employees There may be cases.

Professional development management issues: Given the uneven growth in the share of employees with 5 to 10 years of experience, questions may arise about the effectiveness of professional development and internship programs There is a gender.

Uneven distribution of functional responsibilities: Netcracker's employment graph shows that the largest percentage of employees (47%) are development employees, higher than other functional areas.

can lead to an imbalance in Human Resource Management Systems: Although the external overview is general, this section may not go into detail about the specific strategies and tools used for human resource management.

These issues may require the attention of attackers to further improve HR strategies and ensure sustainable development.

Human resource management systems include functional, informational, financial, psychosocial and legal subsystems.

In particular, the information subsystem will be improved through the use of modern technologies, and the financial subsystem will help solve the problems of funding talent.

Evaluation of the personnel management system based on such indicators as labor productivity, break time, meeting deadlines revealed positive trends in the company's development.

Increased productivity and increased employee satisfaction are evidence of a successful business strategy.

All this shows that Netcracker maintains high standards of personnel management, contributes to the achievement of strategic goals and ensures the stability and development of the company in the field of telecommunications software development.

## 3. DEVELOPMENT AND ECONOMIC JUSTIFICATION OF RECOMMENDATIONS AND MEASURES TO SOLVE THE PROBLEM IN THE NETCRACKER COMPANY

3.1. Improving the work of the personnel service

Fundamentally important for ensuring the successful development of Netcracker, achieving the vision and strategic goals of Netcracker is the creation of a system that allows active and effective management of work performance at all levels: from an individual employee to Netcracker as a whole.

In order to create such a system, Netcracker will develop a performance management system by objectives. For Netcracker there will be:

1. To formulate and regularly communicate to all employees the vision, strategic directions of development, main goals and objectives of Netcracker so that each employee understands where Netcracker is moving in its development and what are its requirements for employees and expectations from them;

2. To determine a balanced set of indicators that come from general corporate goals and objectives, reflecting both the effectiveness of the Netcracker Group's organizations, divisions, collectives and groups of employees, as well as the creation of additional value for shareholders and Netcracker; this set of indicators will serve as the basis for building a management system by goals;

3. To build an effective system of information collection and processing in order to objectively determine the degree of achievement of set goals and objectives;

4. To continue the development of the employee evaluation system in order to make it more objective and informative, to use the entire arsenal of methods and approaches recognized in world practice when conducting the evaluation, adapting them to the needs and features of Netcrackert, taking into account the specifics of different groups of employees;

5. To build a clear and transparent system of using evaluation results, determining their impact on salary increases, promotion on the career ladder, decisions on rotation and transfers, determining training and development needs;

6. Regularly inform the staff about priority tasks, goals and the degree of their achievement;

7. Monitor external and internal changes, timely make the necessary adjustments to the performance management system, the system of indicators and set goals.

To ensure consistently high levels of performance, Netcracker will also continue to develop its corporate culture in such a way that the quality and efficiency of work at each workplace become a core value and a point of pride for every Netcracker employee [29].

For Netcracker, it is not only about achieving results, but also how they were achieved. When evaluating employees, along with tracking the achieved results within the framework of management by goals, the demonstration by employees of their commitment to corporate values will be taken into account.

Netcracker pays special attention to compliance with accepted principles, as well as to the issue of employees' perception of the achievement of results as a corporate value. This approach will provide Netcracker with more effective management in non-standard situations, in the absence of clear rules and procedures.

Netcracker strives to have a stable status of "the best employer" in the eyes of people who are ready and able to bring maximum benefit, both those who already work for Netcracker and those whom Netcracker seeks to attract. Netcracker defines the following basic personnel characteristics necessary for the implementation of the business strategy and the achievement of goals:

1. Focus on achieving business results;

2. Initiative, focus on active search for solutions;

3. Activity in the promotion of innovations, new ways of conducting business, the ability to quickly learn and use the acquired knowledge;

4. Flexibility, ability to adapt, psychological endurance;

5. Commitment to corporate values Netcracker.

To attract the "best of the best", Netcracker will [30]:

1. regularly evaluate the available personnel and, based on the summary results of the evaluation, determine the discrepancies between the desired and existing levels of employees, as well as establish the extent to which the dynamics of personnel development correspond to the dynamics of Netcracker development;

2. To identify groups of employees and positions that are key to achieving strategic goals during the transition to a new qualitative level of development;

3. constantly monitor the trends in the labor markets of the countries and regions where Netcracker is present, as well as the actions of competing companies in order to timely adjust the policy to support the image and status of Netcracker as a "best employer";

4. carry out a purposeful policy of promoting the corporate brand in the labor market, inform both potential candidates and employees of Netcracker about the goals, tasks, values, priorities and opportunities provided to its employees;

5. To improve relations with the target group of leading educational institutions, to conduct special activities for the search and selection of talented graduates of educational institutions;

6. To carry out special measures for the fastest adaptation of new employees and timely provision of everything necessary for the full performance of duties.

In order to attract the "best of the best", Netcracker will use all the methods and tools recognized in world practice for searching and selecting candidates, including work with external specialized agencies.

When filling vacancies, other things being equal, Netcracker prefers:

1. "Internal" candidates, thus expanding opportunities for career development of employees of various divisions of Netcracker;

2. "Young specialists".

In all cases, the main criterion for personnel appointments is their objective expediency and potential and/or proven effectiveness of the candidate, his professional level.

Netcracker recognizes the need not only to attract personnel with the necessary characteristics, but also to ensure that they are used most effectively. For this, Netcracker will:

1. To develop an integrated system of employee career planning and its active management at all organizational levels, both "managerial" and "technical";

2. To coordinate the system of career planning with the system of remuneration and the system of training and development of personnel;

3. Use "vertical" and "horizontal" rotation of employees (between organizations of the Netcracker Group), other proven effective methods of introducing diversity into work, providing employees with opportunities to gain new experience in order to maintain their interest and work motivation, develop their understanding related fields of business, as well as meet the needs of Netcracker in filling existing vacancies.

A critical factor in the successful development of both the Russian and international components of the Netcracker business is the availability of a global personnel resource - "mobile staff" capable of moving quickly between Netcracker Group organizations and projects, developing and supporting the Netcracker business in any region, ensuring the necessary quality standards and promotion of corporate culture. To meet its needs in "mobile personnel", Netcracker will:

1. To develop a methodology for searching, attracting and selecting "mobile personnel";

2. Apply special approaches and practices to these employees, including remuneration policies, career planning, and special training and development programs;

3. Make the necessary investments in the development of the "mobile personnel" system [31].

## 3.2 Improvement of the management system

The success of the Netcracker company, and in particular motivation, depends on specialists. They need to be searched for (carrying out personnel marketing), attracted and encouraged. Different testing, trial periods and other alternative approaches should be used.

The management of the Netcracker company should recommend the following:

- It is necessary to support the employee's interest in work at his company by all available means;

- It is necessary to give the employee freedom of action, not to limit him within certain frameworks, i.e. if the work is interesting and brings him satisfaction, then the quality of performance will be correspondingly high;

- It is necessary to optimize the rate payment system (pay for work to the extent of not underpaying and not overpaying). To make it much simpler, understandable to people, it is also possible to introduce an individual system of payment and bonuses, while the employee of the Netcracker company must know what and why the allowances were made, so that all employees can make sure that the effective work, initiative, and desire of the employee will bring benefits in every way encouraged by management;

- A constant search for new (alternative) forms and methods of labor promotion is necessary;

- The bonus should not be calculated for the results and activities of employees, which are mandatory and paid within the framework of the permanent part of earnings. It is also necessary to make it clear to the employee that the bonus is not the usual form of additional payments that cannot motivate the employee, but an additional payment for effective work, initiative [32];

- It is possible to implement additional vacations for specific work or for work results, for additional compensation for increased psychological or physical stress;

- It is necessary to take care of the employee's morale - recognition of the work of employees who have achieved significant results for the purpose of further motivation, to popularize the results of the work of individual employees who have received recognition.

To increase the work motivation of the Netcracker company, it is necessary to use both material and moral motivation in parallel.

The following aspects must be included in the material motivation system of the Netcracker company:

1. Raising the level of the permanent part of the salary will ensure the confidence of Netcracker employees in the future.

2. Increase in the level of additional Netcracker premium payments:

- The introduction of a system of paying monthly or quarterly premiums, which is determined as a percentage of the cost of sold products - for employees who can influence the volume of sales;

- One-time payments for participation in the development of the Netcracker motivation system (proposals for the implementation of new accounting systems, planning, etc.).

The question of the formation of general forms of personnel motivation closely collides with the concepts of "corporate spirit" and "corporate culture".

It is very important for a manager to "paint" a psychological portrait of the entire team. This will help to correctly assess those general needs that can be effectively met by the organization.

The management of the Netcracker company should also use this method of motivation. Practice shows that this type of motivation is not so expensive for the enterprise, and the return from it is sometimes very significant, because, in addition to meeting the needs of individual employees, collective forms of motivation contribute to the cohesion of the team, the formation of "corporate consciousness", which undoubtedly affects labor productivity. In addition to the development of the "corporate spirit",

Netcracker should also apply the following forms of employee incentives that would motivate them:

- Organization of hot meals at the enterprise;
- Payment of transport expenses of employees;
- Assistance in obtaining additional education;
- Conducting physical culture and health activities and corporate holidays.

The use of such forms of collective motivation Netcracker can be not only useful, but also profitable [33].

At the current stage of the development of entrepreneurial activity, the organization of incentives for employees plays a special role in the success of the organization in conditions of competition.

In modern conditions, when solving the issue of reforming the payment of employees at the enterprise, it is necessary to solve two tasks: 1) guarantee payment to each employee, based, firstly, on the results of his activity, and secondly, on the cost of labor on the labor market; 2) ensure that the enterprise receives a profit after selling its products on the market.

The main principle of the organization of the incentive system in business activity in modern conditions should be the method of individualizing the material reward of employees, based on the results of work. However, the individualization of material remuneration of employees should not be carried out on the basis of random decisions of the management and the absence of any regulations in this area, but on the basis of systematicity, clear justification based on a well-thought-out assessment of personnel, their job duties and work results.

Therefore, first, it is necessary to draw up a clear description of his functions for each employee. When hiring a future employee, he must familiarize himself with the list of his functions and job duties. Accordingly, this will make it possible to indicate the fair demands of the management to this or that employee, and the employee, in turn, will know what is required of him in the performance of his functions and what these functions are. Based on job responsibilities, the appropriate pay group is established, and later, on the basis of regular evaluation of his activity, a decision is made to increase pay, share in profits, and professional growth.

Secondly, when solving issues of stimulating employees, the entrepreneur must take into account the situation on the market, because in many cases the level of payment of employees is set with an adjustment for the scarcity of a given specialty on the labor market or, on the contrary, taking into account the surplus of labor in this specialty. In addition, in order to retain highly qualified specialists, it is necessary to take into account the payment at competing firms in this specialty.

The Netcracker human resource management challenges identified in Chapter 2 can be addressed with concrete

Possible actions for the two identified problems:

Problem 1: Age structure of the staff describe in table 3.1

Event	Description
Implementation of youth	Launching programs to attract young personnel,
recruitment programs	including internships and internships.
Mentoring programs for junior	Establish mentoring relationships to ensure the transition
employees	and development of newcomers.
Organization of trainings and	Creation of opportunities for exchange of experience and
seminars on intergenerational	knowledge between different age groups.
communication	

Table 3.1 - Measures to solve the problem of the age structure of Netcracker company personnel

Problem 2: Gender imbalance describe in table 3.2

Event	Description
Implementation of gender	Implementation of the policy of equal opportunities in

equality in recruitment	the selection and recruitment of personnel.
Gender sensitivity trainings	Conducting gender sensitivity trainings for staff and
	management.
Establishing Equality Groups	Formation of groups or committees that study and
	promote gender equality policies.

Table 3.1 - Measures to solve the problem of gender imbalance at Netcracker

It is necessary to provide several subsystems in the personnel incentive system for the incentive of different categories of personnel. It is advisable to divide the incentive system into five incentive subsystems by personnel groups (Diagram 3.1).

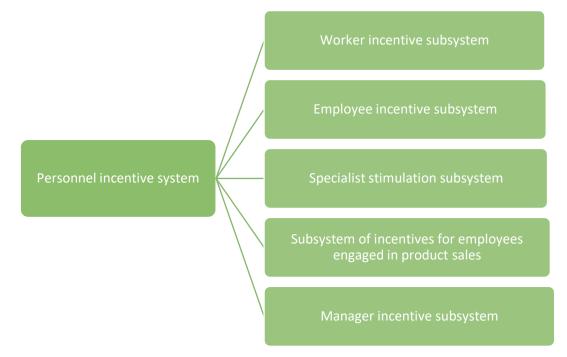


Diagram 3.1 - System of incentives by personnel groups

Each of these subsystems includes both general for all or several subsystems, and its own specific methods and forms of stimulation of relevant groups of personnel.

To motivate employees, in my opinion, it is necessary that their income consists of two main components: basic pay and a collective bonus for reducing labor costs in the cost of finished products. The incentive subsystem for employees involved in the sale of products should include three main components. The first of them is the basic level of payment based on the evaluation of their functions. In addition to the basic payment, this includes additional payments calculated on the basis of indicators for increasing (if any) sales of products. And, finally, the third component is commissions based on the results of transactions.

If the implementation plan is achieved or exceeded, the employee receives an additional payment calculated on the basis of the achieved indicator. If the planned level is not reached, no payments are made [34].

Commission payments are primarily aimed at preventing collusion between the firm's sales staff and buyers. With an ineffective incentive system, such cases are quite common.

Moreover, managers involved in product sales can receive a reward not only for achieving the planned indicators from a certain product group, but also a general reward for achieving the planned level for all product groups.

The subsystem of motivating managers includes two components. The first is the same as for all personnel groups, the basic salary, calculated on the basis of the assessment of the manager's functions. The second component is a variable part of income in the form of profit sharing. Moreover, the salary is paid monthly, and the share in the profit is paid quarterly. From the experience of foreign countries, the manager's share of profit sharing is usually from 5 to 35% of the monthly salary. A specific percentage can be established based on the length of service, the position held, the number of subordinates, and the individual assessment of the manager by senior management.

The purpose of stimulating the company's management personnel is, firstly, the entrepreneur's desire to retain qualified managers in order to avoid their transfer to competing firms. Secondly, in general, stimulation is aimed at motivating managers both in achieving personal success in work and in achieving success in all divisions and the entire company as a whole. Thirdly, the profit-sharing system makes the manager's income dependent on the results of his activities, business activity and professionalism in the

performance of management functions. With the manager's job growth, his share of profit participation increases, which makes the manager's income progressive. With a promotion in the position, the basic level of the manager's salary increases, the payment from the profit also increases, and due to the increase in the percentage of participation in the profits, the manager's income increases very significantly. All this makes personnel growth for managers very attractive, which in turn is possible only with a constant increase in the efficiency of management in this position.

Thus, in order to strengthen the stimulating role of wages, it is necessary to ensure that enterprises observe a number of principles, such as:

1) the dependence of wages on the efficiency, productivity and quality of work performance in order to ensure the interest of employees in the results of their work;

2) implementation of flexible remuneration systems, based on the accounting of the final results of the organization's work and the individual contribution of the employee, including participation in profits;

3) exclusion of equalization in the payment of employees;

4) when creating a system of payment of employees, provide for the strengthening of its unifying role, which excludes confrontation between employees.

Thus, the following conclusions can be drawn.

In modern conditions, when solving the issue of reforming the payment of employees at the enterprise, it is necessary to solve two tasks:

1) to guarantee payment to each employee based, firstly, on the results of his activity, and secondly, on the cost of labor on the labor market;

2) ensure that the enterprise receives a profit after selling its products on the market.

Therefore, in order to ensure the interests of both the employee and the employer (entrepreneur), it is necessary to ensure an increase in pay while reducing its costs per unit of production, and to guarantee an increase in pay for each employee with an increase in the efficiency of the enterprise. This is the principle of stimulating employees, when an increase in wages is possible only with an increase in the efficiency of operations and,

conversely, an increase in the efficiency of an enterprise leads to an increase in the wages of employees.

It is possible to achieve the solution of these tasks only under the condition of adopting a state program on reforming relations in the sphere of labor [19].

Thus, based on the above, it is possible to draw up a set of measures aimed at effective personnel management, where the final measure will be the creation of an incentive system.

First, it is necessary to solve the task of dividing the labor of employees in order to distinguish between their job duties and the functions of structural divisions to avoid the duplication of these functions, which would lead to unreasonable economic losses.

Secondly, it is necessary to correctly select and appoint employees according to their business and personal qualities, as well as to develop a system of continuous professional development.

Thirdly, it is necessary to design and implement rational systems and methods of performing the functions assigned to employees in order to optimize the work performance process.

Fourthly, it should be taken into account that even with the creation of the most effective incentive system, the achievement of the efficiency and quality of the work performed cannot be achieved without solving the task of rational organization and equipping workplaces both as a whole and for their individual elements in relation to each position or group positions

Fifth, along with general measures, it is necessary to ensure favorable working conditions in accordance with sanitary-hygienic, physiological and social-psychological requirements and norms.

The sixth is the resolution of rationing issues in order to determine the required number of employees and the necessary time spent on the work they perform.

## CONCLUSION

Based on the results of the research, it is necessary to draw the following conclusions.

Personnel management is a systematic, systematically organized influence with the help of interrelated organizational - economic and social measures on the process of formation, distribution, redistribution of the workforce at the enterprise level, on the creation of conditions for the use of the labor qualities of the employee (workforce) in order to ensure effective functioning enterprise and comprehensive development of the employees employed in it.

The content of the personnel management system is:

- determining the need for personnel taking into account the company's development strategy;

- Formation of the numerical and qualitative composition of personnel (system of assembly, arrangement);

- Personnel policy (interaction with the external and internal labor market, release, redistribution and retraining of personnel);

- System of general and professional training of personnel;

- Adaptation of employees at the enterprise;

- Payment and stimulation of work, system of material and moral interest;

- Assessment of activity and attestation of personnel, its orientation on the encouragement and promotion of employees based on the results of work and the value of the employee for the enterprise;

- Personnel development system (training and retraining, ensuring professional and qualification growth through planning of working (labour) career;

- Interpersonal relations between employees, between employees, administration and public organizations;

- The activity of the multifunctional personnel service as a body responsible for providing the enterprise with labor force and for reliable social protection of the employee.

The goals of the personnel management system of the enterprise (organization) are:

- increasing the competitiveness of the enterprise in market conditions;

- increasing labor efficiency, in particular achieving maximum profit;

- ensuring high social efficiency of the team is functioning.

The goals of the company's activity are market expansion, as well as profit.

The Netcracker Company never stops today, it constantly strives to increase the range of products and expand the network of our representatives around the world.

The organizational and staffing structures and the Netcracker company charter determine the quantitative composition of the personnel management service.

Each division of the personnel management service of the Netcracker Company develops, draws up, executes the documentation that corresponds to its functional purpose. The HR department of the Netcracker Company maintains the following personnel documents: personal files of the organization's employees, including questionnaires, autobiographies, copies of educational documents, personal cards, work books, pension files.

Important organizational distribution documents of the Netcracker Company are the internal labor regulations, which include the following sections:

- Terms;

- The procedure for hiring and dismissing employees and employees;

- The main duties of the administration;

- Working time and its use;

- Incentives for success in work;

- Responsibility for violation of labor discipline.

The disadvantages of the organization of the Netcracker management system are as follows:

- The structures of the administrative apparatus are not being built flexibly enough;

- Insufficiently clearly distributed functions in the Netcracker management apparatus (between the heads of the organization, divisions, individual employees);

- Insufficiently clearly distributed decision-making rights between the levels of the Netcracker management system;

- There are no clear limits of competence, powers of deputy managers of divisions of the Netcracker Company;

- The scope of Netcracker activities creates a somewhat inconsistent management structure, in which effective management is impossible in most cases;

- when distributing functions between Netcracker services, specialization is not carried out clearly enough, as a result of which there are many issues that lie on the border of services, which in turn requires a lot of time spent on coordination, communication, coordination;

- The organization of work in the Netcracker management apparatus is at a low level;

- A significant number of losses of working time occur due to violations of labor discipline in the management apparatus, inefficiency of organizational work. The management of Netcracker should recommend the following:

- It is necessary to support the employee's interest in work at his company by all available means;

- It is necessary to give the employee freedom of action, not to limit him within certain frameworks, i.e. if the work is interesting and brings him satisfaction, then the quality of performance will be correspondingly high;

- It is necessary to optimize the rate payment system (pay for work to the extent of not underpaying and not overpaying). To make it much simpler, understandable to people, it is also possible to introduce an individual payment and bonus system, while the Netcracker employee must know what and why the allowances were made, so that all employees can make sure that the effective work, initiative, and desire of the employee will bring benefits in every way encouraged by management;

- A constant search for new (alternative) forms and methods of labor promotion is necessary;

- The bonus should not be calculated for the results and activities of employees, which are mandatory and paid within the framework of the permanent part of the salary. It is also necessary to make it clear to the employee that the bonus is not the usual form of additional payments that cannot motivate the employee, but an additional payment for effective work, initiative, etc.;

- It is possible to implement additional vacations for specific work or for work results, for additional compensation for increased psychological or physical stress;

- It is necessary to take care of the morale of the employee - recognition of the work of employees who have achieved significant results for the purpose of further motivation, to popularize the results of the work of individual employees who have received recognition.

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