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TRANSFORMATIONS OF LABOR MARKETS THEORIES IN RESPONSE TO NEW TRENDS IN HUMAN RESOURCES MANAGEMENT

The paper analyzes the specific labor market conditions and offers a new concept of an "economic workplace" as a workplace that provides a relevant subsistence level instead of a normative minimum wage for labor remuneration (which often falls below the living subsistence level). The research proves that the reduction in occupational life cycles and its inequality affect the career technologies and re-training frequency. A new academic term of an "occupational liquidity" is proposed to denote the ease of finding a new job and the readiness to leave an employer.

Keywords: labor market; wage; workplace; freelance; export-import of labor; career technologies.

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ТРАНСФОРМАЦІЯ ТЕОРІЙ РИНКУ ПРАЦІ ЯК РЕАКЦІЯ НА НОВІ ТРЕНДИ В УПРАВЛІННІ ЛЮДСЬКИМИ РЕСУРСАМИ

У статті проаналізовано кон'юнктуру ринку праці та запропоновано ввести у практику поняття «економічне робоче місце» як місце, що забезпечує прожитковий мінімум, замість законодавчо встановленої мінімальної оплати праці, яка часто нижче прожиткового рівня. Продемонстровано, що скорочення життєвого циклу професій вносить корективи у технології кар'єрного зростання та частоту перекваліфікації. До наукового обігу пропонується поняття «ліквідності спеціаліста» як показник легкості пошуку роботи та можливості залишити роботодавця.

Ключові слова: ринок праці; заробітна плата; робоче місце; фріланс; експорт/імпорт робочої сили; кар'єрні технології.

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ТРАНСФОРМАЦІЯ ТЕОРІЙ РЫНКА ТРУДА КАК РЕАКЦИЯ НА НОВЫЕ ТРЕНДЫ В УПРАВЛЕНИИ ЧЕЛОВЕЧЕСКИМИ РЕСУРСАМИ

В статье анализируется конъюнктура рынка труда и предлагается ввести в практику понятие «экономическое рабочее место» как место, обеспечивающее прожиточный минимум, вместо законодательно установленной минимальной оплаты труда, которая зачастую ниже прожиточного уровня. Показано, что сокращение жизненного цикла профессий вносит коррективы в технологии карьерного роста и частоту переквалификации. В научный оборот вводится понятие «ликвидности специалиста» как показатель легкости поиска работы и возможности покинуть работодателя.

Ключевые слова: рынок труда; заработная плата; рабочее место; фриланс; экспорт/импорт рабочей силы; карьерные технологии.

Research rationale. Scientific and engineering progress, demand for structural rearrangement of the world economy, more stringent competition at both local and international markets lead to additional demands in terms regional or international skills/qualification mobility of human resources. These circumstances set the tasks of labour markets responsiveness improvement through flexibility (Ushakov and Arkhipov, 2014). Non-typical employment forms have recently become wide-spread.

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Flexibility is understood here as an ability for structural adaptation under changing conditions. The workforce market imbalance has two aspects: scope (in terms of demand/supply) and financial one (related to actual labour remuneration). Labour market flexibility is understood as an ability to adjust the scope of indicators in response to financial changes.

Social conflicts over industrialization in the 19th century gave rise to a range of new institutions, now typical for many states, such as ministries of employment, employment legislation and trade unions. These institutions have played a key role in improving life quality and well-being in advanced societies, and there is plenty of research on them. However, unpaid work only began receiving considerable attention from 1995 onwards, when the United Nations proposed at the Beijing Platform for Action that the System of National Accounts should be reformed to include an unpaid work satellite account. Since then, research on this topic around the world has intensified, especially through the development of time use surveys. The study of time budgets shows the role of unpaid work in the global well-being (Duran, 2015).

The global world trend now is the sharp reduction of companies' life cycle, to 10–30 years on average, and for small businesses – up to 10 years. This is not only due to hyper-competition and low innovation culture. Though in (de Geus, 1997) we find the stories of 30 companies with the history of at least 100 years (Du Pont, Kodak, W.R. Grace, Mitsui, Sumitomo, Siemens etc.), including the acknowledgement of the value of people for them, training arrangement, human community formation, tolerance for innovations and environmental sensitivity. The new millennium is characterized by self-marketing position consisting in the inability to stake on the career with one albeit a transnational company; the reduction of life cycle of occupations and vocations brings in some adjustments to career promotion technologies and staff job retraining. The role of training sessions is not only being a technique for competence improvement but also a method to assess creativity, communication skills, discipline etc.

Traditionally, in marketing the life cycle concept is applied to consumer goods and services. Manpower reproduction also covers the processes of production, distribution, consumption and retirement. For specific "manpower" commodity there are three life cycle models:

1. Life cycle of cumulative manpower in the application area.
2. Expert job life cycle.
3. Expert career life cycle.

Career life cycle has reduced thus requiring more frequent job retraining, including the improvement of expert's own liquidity. As far as 20 years ago, dozens of now familiar jobs did not exist at all. For example, only in the last 3 years social network experts have become necessary.

Labour market theoretical and methodological studies. *Occupational liquidity.* Western economists actively discuss the problem of labour market deregulation, slackening of social security, reduction of regulating role of the legislative labour provisions in favour of individual employment contracts. In a number of countries social insurance system is being actively reformed. Russia cannot copycat international experience of the partial disassembly of manpower market, at least because labour costs, unemployment benefits and living standards in general in Russia are not as

good as in the West. The concept of labour productivity has been unjustly devaluated; in the statistics reference book "Russia in Figures" (2012) in the "International Benchmarking" section labour productivity is not reviewed though this is an indirect indicator of economic competitiveness.

Workplace is the primary element of any business entity; workplace availability and configuration determines company's structure and scale. In terms of science-based labour management and labour rate setting workplace is employee's location and labour application area determined using engineering and ergonomic standards and equipped with engineering and other facilities required to perform specific tasks set. A workplace occupies a part of the production or office area where relevant labour facilities and objects are located.

The term "workplace" has not received adequate legal interpretation so far. Thus, we can assume that work on unpaid leave-of-absence or of the worker whose salary has been delayed for months has a workplace? Obviously, as applicable to a number of countries the concept of "economic workplace" should be used to denote the workplace with the salary not only exceeding the official minimum of labour remuneration but also as those providing regional subsistence minimum level.

Depending on the production process peculiarities and the nature of work to be completed, workplaces may be classified as simple, multi-tool, team as well as fixed, mobile or spatial.

Spatial workplaces are not related to a certain industry, product types but are determined by the nature of work. This is, for example, true about the workplace of an advertising representative, promoter, cleaning maid, chamber maid, cowman etc. Worker does not have a fixed workplace but just some delineated space. What is fixed for him/her is the constant arrival location – a definite room or an office where worker's arrival and departure is recorded and checked and his/her performance is monitored. Workplaces of some experts and managers are not strictly regulated. They fulfill their duties not only sitting at their desks but also being at company premises or outside it. To a certain extent this is a *free workplace* in the sense that this employee category may freely use any location within company's territory or outside it to perform the tasks imposed on them. For example, a university professor may be in the library, in an archive, making experiments in the field etc. And the company's CEO goes to negotiations, meets government agency representatives etc.

Economic dictionaries define liquidity as the degree of ease with which different assets may be converted into cash; cash and its direct equivalents are 100% liquid. Using this terminological approach we propose the notion of "occupational liquidity" to be considered as the degree of ease a person may become employed. If workforce is a commodity, why should it be not possible to speak about its liquidity and answer, for example, the question: "Which occupation is the most liquid one at the IT market: an IP-telephony engineer, a system engineer, system administrator, web-designer, product manager?". Two facets of liquidity may be pointed out: first, the degree of ease with which a person can find a job, and second – the degree of ease with which an employee may leave his/her present-day employer. Naturally, the higher is the liquidity of an employee, the more urgent is the issue of his/her retraining. Let us consider the factors determining the occupational liquidity:

1. The amount of direct profit the employee brings to the company. Therefore, a sales department manager has higher liquidity than advertisement department manager.

2. Profiling – matching employee's and employer's profiles. For example, in a press bureau a page layout engineer is the most liquid employee; programmer in a software development company has higher liquidity than a programmer from a non-profile company adapting a third party's software product.

3. The position of an employee in a company. With certain reservations it is possible to state that liquidity is reversely proportional to a position a person occupies in the positions rank list. A frontline worker is more sellable than a top manager because for top managers the vacancy possibility is normally lower.

How can one determine the degree of own liquidity? The most trivial way is to send your CV's to recruitment agencies without mentioning a specific vacancy or stating the maximum level of your salary expectations. The number of job offers received over a certain time period is an indicator of liquidity. To improve your own liquidity is rather a serious problem. Most of employees are concerned with their own current price, all they care is "How much will I be paid here and now and is this salary fair?". Only some of them think of their value improvement and very few are concerned with their liquidity. The reason behind this is that liquidity enhancement does not mean automatic salary increase. 3D graphic designers are more valuable than page layout operators but the former have lower liquidity so they can for a long time be unemployed. Besides, the salary of, for example, budget institution employees depends not just on the employer but on the salary corresponding to the unified wage scale. For example, the liquidity of PhD (Economics) is several-fold higher than that of PhD (Veterinary Science), but occupying peer positions, for example, of a professor they earn the same salary. An example of liquidity improvement parallel with value improvement is when a PR-expert becomes an advertisement expert and then – a marketologist. In this case both the liquidity and the value are improved and, consequently, the salary increases.

An occupational liquidity level is related to the position rarity and this is especially true for the vacancies complicated for recruitment agencies. For example, among unusual vacancies the agencies had to fill in the interview published in "Personnel Management" magazine (2012) the following ones were called: process engineer knowing the recipe of some food additives; social mass-media expert; product manager in oncology for a startup pharmaceutical company; head expert on loyalty in the aviation industry area with an job record of international companies; steelwork strength engineer; quantitative marketing studies manager etc.

HR management response to new trends at labour market. New migration challenges are generated on the background of problems which have remained unsolved for a long time.

Economic migrants may be classified into several groups:

1. People who emigrate to find a job and improve their families' living standard.
2. Mobile emigrants. The reason for their relocation is their work for cross-national companies, commercial banks, major insurance companies etc., i.e. expatriate employment is related to capital internationalization and if we are discussing intellectuals – scientists with international research projects, grants etc.

International labor migration is a factor of modern national economic systems balancing (Kozlova and Ushakov, 2014).

Expansion of international employment practices in telecomputing, freelancing areas poses a question regarding the new concept of workforce export/import without international workers' physical relocation (Ushakov, 2011).

Generation shift means the shift in motivation of newly employed young workers, changes in their vision on career growth, adjustment of their economic thinking. Whereas for Generation Y new technologies are future technologies, those born between the early 1990s and mid-2000s developed in the period of technological boom accompanied by poor axiological motivation to learning. That is, nowadays labour market is represented by Generations X, Y and baby-boomers; the latter cannot stand conventional labour regulations. Hereby one should understand that in some industries like raw materials production, agriculture, construction etc. top managers from the "Red Director" generation will be far ahead of MBA graduates. At the same time the director community also changes their views on HR management in terms of "funk style business" concept proliferation. The youth conscience is dominated by prestige and consumerism mentality which is a natural response to market paradigm.

"Automation" of many social practices, not preparedness for long-term cooperation, team activities results from the low level of institutional confidence in the youth community. For example, as applicable to labour market, the young are not interested in trade unions.

The peculiarity of labour market as compared with other markets consists also in the actions of associations of employers and trade unions (for example, in the UK, 40% of workers are TU members (Henley, 1998)). The XX century was the time of trade union blossom and the decay of trade unions in developed countries. In the USA today about 15% of employees are TU members, in France – 10% (for more details – see Figure 1).

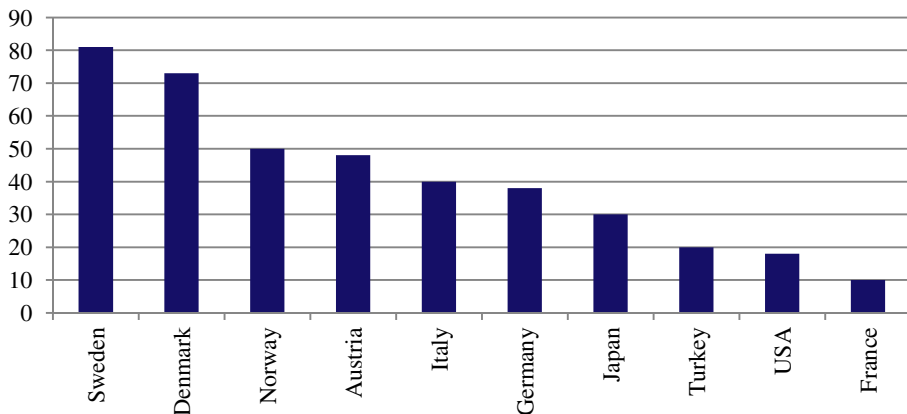


Figure 1. % of trade union members in the total number of employees in the selected countries of the world (Henley, 1998)

Russian youth targeting the career in government agencies creates the strata of "young cynics" at the official's labour market. Special approaches must be considered

in new HR policies in relation to public staff reserve and municipal officials when it comes to anti-corruption activities in since Russians perceive corruption nearly as normal behaviour of officials. In terms of corruption index Russia is at the level as Laos, Papua New Guinea, Kenya, Congo, the Comoro Islands; in terms of anti-corruption activities in 2011 Russia took the 143rd position out of 183 countries (www.polit-sovet.com, 10.08.2015). Thus, according to the Public Opinion Foundation (FOM), 54% of Russians are tolerant to the fact that officials have to be bribed; 2/3 of those polled have bribed officials, 49.9% believe that officials corruptness is high in the country, 53.8% consider that corruption is invincible in principle, more than 85% assess the corruption crimes in Russian Federation as high and very high (www.wciom.ru, 15.08.2015).

In different countries laws stipulate different amounts of presents to be classified as bribes. For example, in France the maximum price of the present not to be classified as a bribe is 35 EUR in the UK – 140 GBP, in the USA – 50 USD, in Russia – 3,000 RUR (www.rg.ru, 31.10.2014). Kick-backs, thievery not only of mid-level managers but also criminal behavior of top managers may substantially compromise company owners and require counter-measures (proactive activities) at the employment stage already. Security policy of numerous companies is expressed, like in DHL in the principle "security is everybody's responsibility" but to monitor company staff video surveillance is often used. The world practice knows quite a lot of examples of companies' bankruptcy due to deliberate actions of the "white collars": Enron, Parmalat, WorldCom. In the USA even the Corporate Fraud Task Force headed by the deputy General Public Prosecutor was established.

In general, the world is witnessing the narrowing tendency of the state job sector.

According to the 2011 data, in China half of population was employed in the state sector, low indicators are seen for Japan (Figure 2).

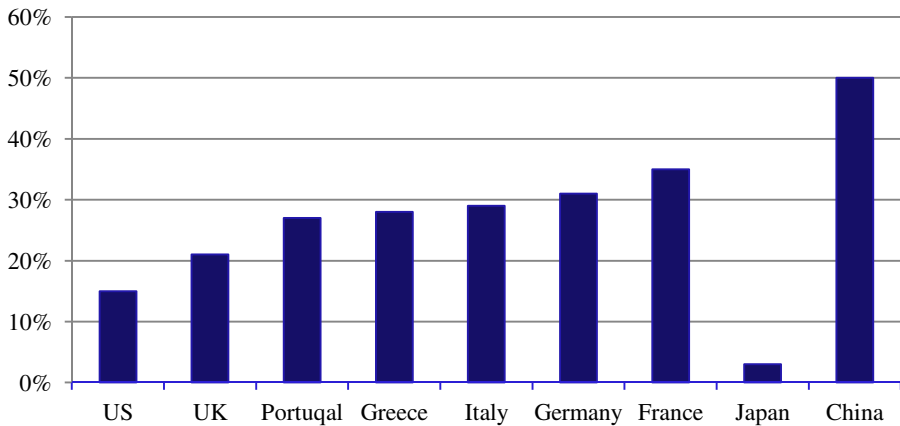


Figure 2. Public sector employment as % of total employment (US, Japan and China – as of 3Q2011; France, UK, Italy – as of 2Q2011; Germany, Greece and Portugal – as of 1Q2011) (stockspy.ru, 12.08.2015)

Economic development requires new approaches to internal marketing in new hi-tech areas where labour contents is changing. We are speaking here about social

recovery practice, free time compensation, flexible working hours etc. alongside with compensation benefits increase. The non-rational team thinking in Russian companies and, consequently – opposition to innovations, is an obstacle to the implementation of new management standards like ERP, lean production, ISO, KPI etc. Man-made management intellect mechanism based on harmonized labour relations enables the establishment of new organization culture, new behavior and team relationship model. Currently the man-made management intellect is applied at 500+ Russian companies operating in the processing industry, machine-building, commercial goods production, construction, trade, food industry and financial area (www.ami-system.ru, 14.08.2015).

The long-forgotten Soviet labour remuneration and incentive system using labour contribution coefficients (KTU) has enjoyed new interest in the recent years, so does the new fashion – KPI (key performance indicators). The system enables answering a number of critical questions: how to assess the contribution of workers into the company success? Individually or in teams? What is the priority: quantity or quality? How to select the most suitable set from the entire variation of indicators and build an optimum incentive system?

Internet recruitment firmly holds the leading positions reducing the demand for HR agencies. HR's are using social networks having millions of users and thousands of companies with vacancies. If www.HH.ru and www.SuperJob.ru provides applicant databases, www.Профессионалы.ru enables enticing people away from their companies. Now to fill in a problem vacancy one has to "melt" hundreds of candidates through interviews, tests, negotiations to get gold. New web-technologies will appear with transfer from the Internet Web 1.0. (2005) to the Internet 2.0 and then, – to the Internet 3.0, which is characterized by the presence of distinct intellect and self-study capabilities.

Outplacement as the support program for redundant employees is related to the elegance of staff dismissal procedures, it enables avoiding information leaks which could compromise company, complaints to labour inspection, database stealing, including clients personal contacts and other confidential information. If typical replacement means introduction of a new worker (primarily – a college/university graduate) into a company, now in the framework of international personnel marketing it deals with ethnic workforce etc.

Staff outsourcing has become wide-spread as a tool of flexible human resource management and cost optimization. There are two outsourcing theories:

1. Outsourcer's staff employment with the subsequent provision to customers; these employees work at employer company and perform the same job tasks as payroll employees on relevant positions, however, formally their employer is the dedicated company which hired them. To denote this phenomenon such terms as "staff rent", "staff leasing", "temporary staff" are used.

2. Outsourcer's provision of workers and experts with simultaneous undertaking of full responsibility for business processes they perform and the results they attain.

The second definition narrows down the expanded outsourcing theory as an economic phenomenon.

The form of temporary staff hiring is staff leasing. "Staff leasing" is a conditional term. In terms of staff management leasing relations include the following cases:

1. An employer has the problem of highly skilled experts attraction and the demand for them is not permanent in nature (ad-hoc services).

2. Holiday time comes and full-time employees cannot replace some experts.

3. It is necessary to open a representative office or establish a regional branch, in this case companies also use staff leasing, but they lease the entire staff team required.

4. A production company wants to take some of its employees out of the payroll list, for example, workers employed in production cycles, to overcome staff turnover problems and reduce paperwork.

5. A short-term activity, e.g., a marketing study, advertising campaign, exhibition, presentation etc. is planned.

6. An organization needs to be released from some functions and works completed. For example, company equipment fleet maintenance (computers, transport, production equipment etc.), holding audits, provision of transportation services etc. (Patlasov, 2015).

Conclusion. The manpower life cycle concept is interesting, first, due to the fact that the life of manpower as a commodity has become shorter, secondly, new occupations demand substantial costs on their mastering, i.e. investments into human capital are increasing, thirdly, it is possible to foresee changes in the demands of employers, labour market competition, fourth, it is the basis for planning the "manpower" commodity efficient consumption.

"Employeehip" is becoming not only a new fashionable term but also a tool in partnership of companies, their top managers and the entire staff.

The study grounds the new concept of HR marketing: types, functions, goals, objectives, level, technologies, including international ones. Infrastructure of the labor market and national labor markets features are also considered.

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