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## FORMATION OF HR (HUMAN RESOURCES) BUSINESS STRATEGY BASED ON SPACE ANALYSIS

Об'єктом дослідження є процес прийняття стратегічних кадрових рішень на підприємстві. Оскільки персонал підприємства є його основним стратегічним ресурсом у конкурентній боротьбі, то дослідження визначеного об'єкту є досить перспективними. Одним з найбільш проблемних місць у вирішенні цього питання є відсутність чітких методичних рекомендацій щодо обґрунтування кадрової стратегії підприємства. В ході дослідження запропоновано методіку формування кадрової стратегії підприємства на основі застосування динамічного SPACE-аналізу. SPACE-аналіз модифіковано шляхом визначення узагальнених критеріїв. Внутрішні критерії характеризуються показниками кадрового забезпечення підприємства та конкурентними перевагами системи управління персоналом. Зовнішні критерії – привабливістю державної кадрової політики та показниками стабільності ринку праці. За кожним з узагальнюючих критеріїв визначено систему часткових показників. Проведено попарне порівняння та оцінювання взаємовпливу між частковими показниками для кожного узагальненого критерію, що дало змогу визначити коефіцієнти вагомості цих показників. В основу вирішення цього завдання було покладено метод аналізу ієрархії. З метою підтвердження достовірності отриманих вагових коефіцієнтів були розраховані показники узгодженості думок експертів. За кожним з часткових показників групою експертів було оцінено його поточний та перспективний стан. «Звужування» експертних оцінок часткових показників відбувалося на основі модифікованих формул базового SPACE-аналізу. Це дало змогу прийняття рішення щодо траєкторії розвитку кадрової складової підприємства. Так кадрова стратегія підприємства залежно від значень узагальнюючих критеріїв може потрапляти до одного з чотирьох квадрантів: агресивного, захисного, конкурентного або консервативного. Розроблено матрицю стратегічних кадрових рекомендацій (рішень) для визначених базових траєкторій зміни стану кадрової стратегічної позиції підприємства. Результатом застосування методіки є формування стратегічних рекомендацій для оновлення кадрової стратегії підприємства, що в свою чергу дає змогу підвищити його конкурентоспроможність.

**Ключові слова:** кадрова стратегія підприємства, динамічний SPACE-аналіз, кадрова стратегічна позиція підприємства, матриця стратегічних рекомендацій.

### 1. Introduction

Any company that aims for successful development and functioning in a competitive environment plans its activities, not only for tomorrow but for the future as well. A necessary condition for sustainable development is of course to improve efficiency management. A special role in this process is a creation of human resources business strategy that involves the use of modern methodological tools that, in turn, enables to study personnel strategy and success in the long term.

The current practice of strategic management personnel of the enterprise is undergoing radical change due to the increasing social responsibility of business, its strategic orientation, change of workers' personal values. The ineffectiveness of strategic HR management, which reduces the efficiency of HR department and the enterprise, due to the lack of complete integrated approaches meet the challenges facing it. All of the above mentioned patterns determine the relevance of the research topic.

Nowadays, most of the Ukrainian academics and practitioners tend to use borrowed theoretical approaches and methodological tools in strategic management research. And most of them today are sufficiently adapted to local realities and needs of strategic management. Practice shows that in most cases strategic solutions are made

by managers intuitively, which significantly reduces the effectiveness of such solutions. Therefore, modification of modern strategic tools to fix problems in the formation of human resources strategy is very important and relevant task.

### 2. The object of research and its technological audit

Despite a thorough study of various aspects of strategic management (nature, objectives, principles, etc.), issues of developing specific practical tools adoption remain poorly understood and lack relevant studies on structural personnel policy decisions.

*The subjects of research* are theoretical, methodological and applied aspects of human resource strategic management in a dynamic development. *The object of research* is the process of making strategic personnel decisions in the company. Empirical research was carried out on the basis of materials of six sewing enterprises of the Kyiv region, which are subjects of small business. The data were analyzed over the past three years (2015–2017), the survey was conducted in January 2018. Information sources were information from official websites, enterprise reporting and a panel of experts. Experts were representatives of the management of enterprises and specialists of the company

specializing in personnel audit. Data can't be disclosed, as they relate to trade secrets.

### 3. The aim and objectives of research

*The aim of research* is development of formal guidelines regarding staffing analysis strategic positions on the basis of modified SPACE-dynamic analysis and drawing up a list of possible policy recommendations (alternatives).

According to a specific aim in the research the following theoretical and practical tasks were formulated and addressed:

1. To separate phases that determine the personnel policy positions based on a dynamic SPACE-analysis.
2. Identification of general criteria for assessing the strategic position of the company.
3. Formation of a group of private evaluation indicators for each generalized criterion and determination of their weighting factors and performance of the assessment of indicators.
4. Conducting a cause-and-effect analysis of possible scenarios for the development of the human resources component of the enterprise.
5. To illustrate research results empirically.

### 4. Research of existing solutions of the problem

The problematic issues of strategic personnel management (SPM) are reflected in the writings of many scientists, most of whom [1–5]:

- approaches to the essence of the categories «strategic management of personnel», «personnel strategy» and the like;
- attention is focused on the enumeration of the SPM aims and tasks;
- the relationships between corporate and personnel strategies have been established;
- the principles and components (stages) of the formation of the personnel strategy are defined.

Thus, in particular, in [6, 7] the author tried to systematize the approaches of various authors on the classification of HR strategies. The author [8] within the limits of his research systematized the main Western European approaches within the administrative science on the essence of strategic personnel management. The study [9] not only identified the main types of personnel strategies, but also provided their characteristics. In addition to the general characteristics of the SPM process, attention is focused on its diagnosis and quality assessment by the authors [10, 11]. Along with these contributions, one could argue that the issue of development of fundamental methodological approaches (tools) on the formation of personnel strategy of enterprise practically not covered in the scientific literature. Therefore, they are the most relevant for being chosen as an object of study.

A significant group of methods for the implementation of strategic analysis and development strategies for enterprise system is the matrix approach, which can be modified in terms of their use of the choice of HR strategy. Comprehensive diagnostic method based on strategic multi analysis which stands for the strategic position of the company and forming strategic recommendations is SPACE-analysis. Quite a large number of modern schol-

ars have devoted their work with this method [12–15]. In the study [16], the base model of SPACE-analysis was supplemented with the scale of the T. Saaty method for determining the weight coefficients of the partial evaluation criteria.

The author [17] with the aim of forming a holistic vision of the bank's activity proposed to supplement the method of using a balanced system of indicators. An attempt to adapt this methodological toolkit to assess the investment potential of the enterprise was demonstrated in [18]. But all their achievements concern only the definition of the strategic position of the company as a whole. This leads to the need to improve the methodological support and develop appropriate strategic recommendations for the formation of HR strategy.

### 5. Methods of research

Research strategic HR issues are characterized by interdisciplinary character, dialectical combination of general and special.

The general management theory is chosen here as a theoretical framework since strategic HR management should fit wider systems of human resource management. This involves compliance with laws and principles of management, performance management functions and a close relationship with other elements of the management system.

To achieve the objectives let's use different basic scientific methods and techniques. In particular, the use of a comprehensive system approach to strategic personnel management makes it possible to obtain the main theoretical and applied research results, namely, the essence of the strategic management of personnel and the personnel strategy that make up its formations and the like. In constructing the logic and structure of a study highlighting the main criteria of their systematization methods of structural and logical analysis, abstraction and analogy-based comprehensive and systematic approach are used. The method of comparative analysis and synthesis are used in the identification of fundamental and key causes of personnel problems in strategic management.

Empirical studies based on the use of such methods:

- observation and generalization – for partial separation of generalized indicators assessment criteria;
- analytical and calculation method – generalized evaluation criteria for formation of the personnel alternatives;
- dynamic approach – to systematize the current and forecasted results of expert surveys;
- methods of expert assessments – to determine the validity of partial indicators and obtain current and projected values for them.

Difficulties in implementing the study primarily related to confidential information (reporting and planning) and finding qualified experts with their subjective opinions.

### 6. Research results

Using the idea of SPACE-method makes it possible to distinguish between the options and identify strategic initiatives that are most appropriate in the current circumstances. The author offers the use of the algorithm implementation of dynamic analysis of personnel SPACE-enterprise subsystem, which includes seven steps.

*Step 1.* Identification of generalized criteria assessment personnel strategic position of the company. In the rectangular Cartesian coordinate system, the author suggested postponing:

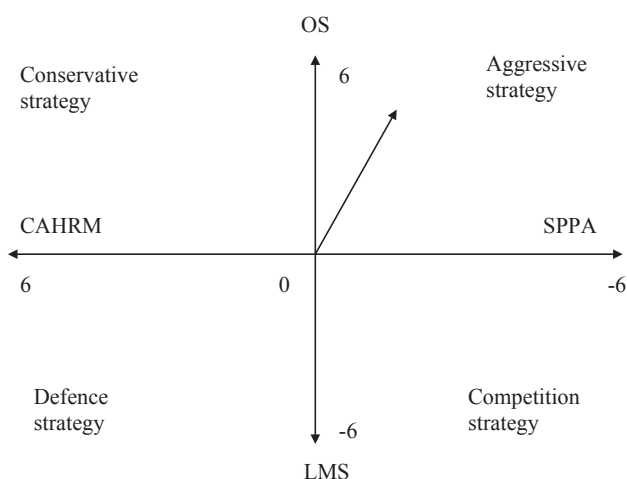
a) on the vertical axis – the value of the internal parameters:

- OS – organization staffing;
- CAHRM – competitive advantages of human resource management systems in organization;

b) on the horizontal axis – the value of the external parameters:

- SPPA – state personnel policy attractiveness;
- LMS – labour market stability.

Using these indicators will take into account the most important signs of global strategic staffing position of the company (Fig. 1).



**Fig. 1.** Global strategic staffing position of the company:  
OS – organization staffing; CAHRM – competitive advantages of human resource management systems in organization;  
SPPA – state personnel policy attractiveness;  
LMS – labour market stability

*Step 2.* Formation of group of partial performance evaluation for each elected at the previous stage of generalized criteria. With the implementation of this phase it is necessary to take into account such requirements as quantitative measurability of indicators of completeness and minimality.

Depending on the company, the state of its staff, the state branch of the labour market, generalized criteria may be represented not only by the different number of partial indicators, but with different values. Within the study possible partial set of indicators for each of the criteria summarized as follows:

a) *Staffing company:*

- job satisfaction level;
- personnel discipline level;
- staff stability level;
- staff education level;
- staff responsibility;
- staff health level.

b) *Competitive advantages of HR company:*

- the level of corporate culture;
- level of organization and working conditions;
- effectiveness of motivation subsystems;

- sophistication subsystem of vocational training, promotion and development;
- level of socio-psychological climate in the team;
- effectiveness of selection subsystems, adaptation and evaluation of staff.

c) *Attractiveness of personnel policy:*

- quality of legal acts that regulate labour relations;
- effectiveness of the state training program;
- involvement of investment in workforce development, personnel systems and personnel management;
- level of social security and protection (pensions, medical services, insurance, services TCoAS etc.);
- income and standard of living (minimum wage);
- the level of social infrastructure of the country (region).

d) *The stability of the labour market:*

- educational and cultural level of the population;
- the effectiveness of the institutions of employment;
- load of registered unemployed per vacancy (vacant position);
- unemployment and its duration;
- level of economic activity of the population of working age;
- effectiveness of the trade unions.

*Step 3.* Determination of weighting coefficients for selected partial indicators for each of the generalized criteria. The most common method by which to solve the problem is the method of analytic hierarchy process (MoAHP), designed by the famous American mathematician [19, 20]. Under this method the choice of priority solutions by means of paired comparisons. MoAHP synthesis procedure involves many approvals, receipt of the priority criteria and alternative solutions [19].

Previously identified partial figures are used to compare pairs for their contribution to the general criteria. The system of pairwise comparisons leads to a result that can be represented as a quadratic inversely symmetric matrix. Elements of the matrix  $|a_{ij}|$  are the intensity of display element hierarchy to the element hierarchy  $ij$ , as measured by the intensity scale from 1 to 9, where scoring have the following meaning:

- 1 – equal opportunity;
- 3 – moderate advantage of one element over another;
- 2, 4, 6, 8 – intermediate values;
- 5 – significant or strong advantage;
- 7 – significant advantage;
- 9 – absolute advantage.

One way to approximate calculation of weight coefficients is [21]:

$$w_{ai} = \frac{\sqrt[n]{a_{i1} \cdot a_{i2} \cdot \dots \cdot a_{in}}}{\sum_{a=1}^n \sqrt[n]{a_{a1} \cdot a_{a2} \cdot \dots \cdot a_{an}}}$$

where  $a_{ij}$  – an estimate of the relative preference for the  $K_i$  criterion compared to the  $K_j$  criterion;  $i$  – an element of the hierarchy;  $n$  – the order of the matrix of pairwise congruences.

Let's build the matrix of paired comparisons of partial criteria and calculate their weight coefficients, the results of which are given in Table 1.

For the subjective pairwise comparisons using Saaty scale, which was mentioned earlier.

Table 1

Matrix comparing partial indicators for generalized criteria «Staffing of company» and their weights

Staffing of company	A1	A2	A3	A4	A5	A6	Geometric mean	Weight $W_{ai}$
A1. Job satisfaction level	1	0.33	3	0.20	0.20	5	0.7634	0.0844
A2. Staff discipline level	3	1	3	0.33	0.33	7	1.3785	0.1524
A3. Staff stability level	0.33	0.33	1	0.14	0.20	3	0.4573	0.0506
A4. Educational qualification of staff	5	3	7	1	3	9	3.7621	0.4160
A5. Staff responsibility level	5	3	5	0.33	1	9	2.4621	0.2723
A6. Staff health level	0.20	0.14	0.33	0.11	0.11	1	0.2195	0.0243
Total value							9.0429	1

In order to received the weights could be used in further studies, it is necessary to calculate performance consistency. Note that to the T. Saaty method [19, 20] provides the ability to verify peer reviews by calculating the consistency index (organic)  $J$  and comparing it with the reference value  $J^*$ . Consistency index is calculated using the formula:

$$J = \frac{|\lambda_{\max} - n|}{(n-1)},$$

where  $\lambda_{\max}$  – the maximum value of the eigenvector of the matrix;  $n$  – the order of the matrix of pairwise congruences.

The reference values of consistency for  $J^* N=6$  is 1.24 [21]. The expert's arguments are considered to be consistent if  $J \leq 0.1 \cdot J^*$ . In case of default of the above conditions should review evaluation experts paired comparisons. Check:  $J=0.0746$ ;  $0.1 \cdot J^*=0.1 \cdot 1.24=0.124$ ; therefore  $0.0746 < 0.124$ , i. e.  $J < 0.1 \cdot J^*$ . Thus, the expert reasoning is consistent, and the resulting weights – authentic.

Similar calculations hold for all of us still generalized criteria.

The value of the calculated weight coefficients for all the partial indicators for certain generalized criteria given in the Table 2.

Table 2

The results of the expert evaluation for HR component of enterprise by SPACE-analysis

No.	Partial figures for generalized criteria	Weights	Current state	Estimated state
Staffing company				
1	Job satisfaction level	0.0844	4.7	5.2
2	Staff discipline level	0.1524	5.3	5.6
3	Staff stability level	0.0506	3.6	4.0
4	Educational qualification of staff	0.4160	4.7	5.3
5	Staff responsibility level	0.2723	4.5	5.0
6	Staff health level	0.0243	4.8	5.2
Competitive advantages of the enterprise HR				
1	Corporate culture level	0.0240	2.7	4.1
2	The level of organization and working conditions	0.0835	2.3	4.4
3	Effectiveness of motivation subsystem	0.3425	3.2	4.5
4	Sophistication subsystem of vocational training, promotion and development	0.1641	3.6	4.5
5	The level of socio-psychological climate in the team	0.3425	3.1	4.0
6	Effectiveness subsystem selection, adaptation and evaluation of staff	0.0433	2.5	3.5
The attractiveness of personnel policy				
1	The quality of normative legal acts regulating labour relations	0.0684	3.3	4.3
2	The effectiveness of the state training program	0.1428	3.0	4.5
3	The attraction level of investments in workforce development, HR systems and HR	0.4360	2.3	2.8
4	Level of social security and protection	0.2338	3.0	4.5
5	Income and living standards	0.0988	3.5	5.1
6	The social infrastructure of the country (region)	0.0202	3.5	4.3
The stability of the labour market				
1	Educational and cultural level of the population	0.0815	4.2	4.7
2	The effectiveness of the institutions of employment	0.2667	5.0	5.5
3	Loading registered unemployed per vacancy (vacant position)	0.1475	4.8	5.1
4	Unemployment and its duration	0.0423	4.6	5.3
5	The economic activity of the population of working age	0.4375	5.2	5.4
6	The effectiveness of trade unions	0.0244	2.8	3.5

*Step 4.* Evaluation of partial indicators for each of the criteria for generalized 6-point scale (from 0 (worst value) to 6 (best value)). Assessment is conducted by an expert for the current and projected state of the company. The composition of the expert group can be included experts from service management personnel, business leaders, heads of departments of various levels of government, as well as external. Experts within the framework of the study are representatives of the management of sewing enterprises, acted as research objects, as well as representatives of the company specializing in personnel audit. Assessment results are presented in Table 2.

*Step 5.* «Constriction» of peer reviews within each group of partial indicators. For this task we take as a basis the modified basic formula SPACE-analysis suggested by the authors [22]:

$$OS_i = \sum_j w_j^{OS} \cdot OS_i^j;$$

$$SPPA_i = \sum_j w_j^{SPPA} \cdot SPPA_i^j;$$

$$CAHRM_i = \sum_j w_j^{CAHRM} \cdot CAHRM_i^j - 6;$$

$$LMS_i = \sum_j w_j^{LMS} \cdot LMS_i^j - 6.$$

Coordinates of vectors that characterize the state of HR component of the enterprise are defined by the formulas:

$$X_i = SPPA_i + CAHRM_i;$$

$$Y_i = OS_i + LMS_i.$$

For the current and projected state vector can be placed in one of four quadrants: «aggressive state», «competitive state», «defence state» or «conservative state».

The results of calculation parameters and current coordinates (*L*) and predicted (*P\**) states of the human resources component of the company are listed in the Table 3.

Matrix of SPACE-dynamic analysis for human resources component of the company will look like (Fig. 2). Fixed in Fig. 3 the trajectory of development of a personnel component of the enterprise is the result of strengthening of values of all general criteria selected in the study.

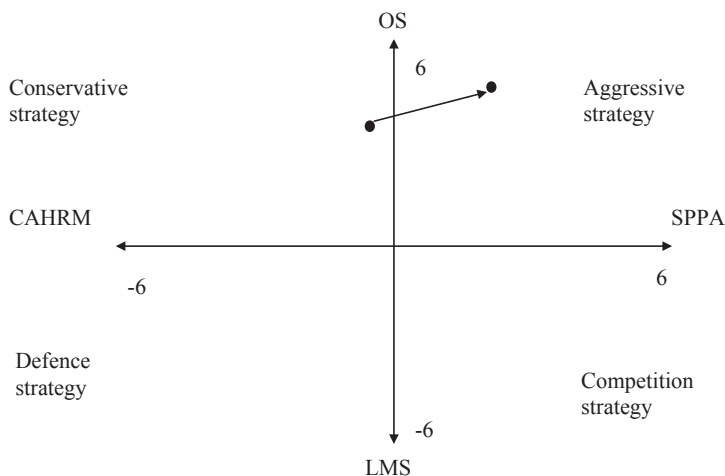


Fig. 2. Matrix SPACE-dynamic analysis of enterprise HR component

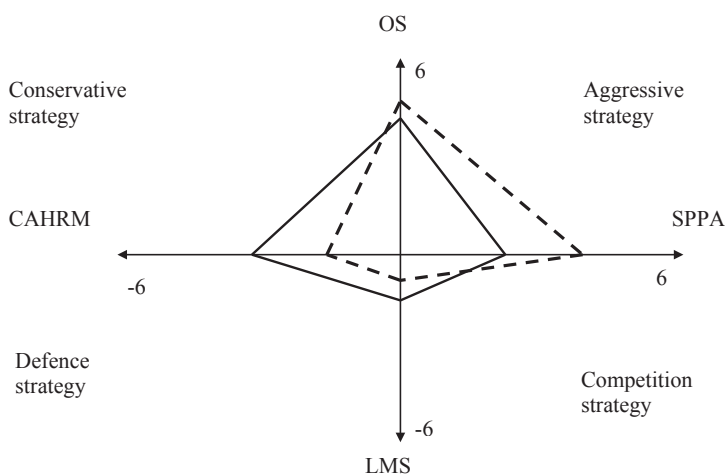


Fig. 3. The trajectory of HR component of the enterprise

Settings of SPACE-analysis for HR component

HR component of the enterprise	Value by generalized criteria							
	CAHRM		SPPA		OS		LMS	
	<i>L</i>	<i>P*</i>	<i>L</i>	<i>P*</i>	<i>L</i>	<i>P*</i>	<i>L</i>	<i>P*</i>
	-2.8862	-1.7328	2.0735	3.8005	4.684	5.1875	-1.0782	-0.7256
Coordinates of the vectors								
<i>X</i>				<i>Y</i>				
<i>L</i>	<i>P*</i>			<i>L</i>	<i>P*</i>			
-0.8127	2.0677			3.6058	4.4619			

Table 3

Diagnosis of trajectories allows to identify and claim that strategic HR component breaks state enterprise for defined partial indicators and obtain numerical values of generalized gaps on key evaluation criteria.

*Step 6.* Conduct analysis of causal possible scenarios of HR component of the enterprise. At this stage, it is possible to get advice and strategic decisions on the formation of HR business strategy (Table 4).

*Step 7.* Formation of the list of policy recommendations that could be the basis for the development of HR strategy. The calculations carried out in the fifth step and strategic recommendations received within the sixth step, are used to observe the movement of personnel predictable emphasis of the company from conservative to aggressive quadrant.



Table 4

Matrix of formation of HR business strategy and strategic recommendations SPACE-dynamic analysis

Strategic (current) state,	Trajectory		Strategic recommendations for the formation of HR business strategy
<i>Aggressive status:</i> the company operates in an attractive state personnel policy and stable labor market, has a very strong competitive advantage in the management staff and good staffing	↑	$\Delta OS + \Delta LMS > 0$	Conducting management audit of organization management structure (OMS) and staffing company to identify key jobs, which depends on the market position of the company as a whole and the outcomes of individual units. Acceptance for the working position carried out mainly by the number of qualified professionals who have a high potential and competence
	→	$\Delta CAHRM + \Delta SPPA > 0$	Organization of interaction between workers and managers on a basis of mutual trust, respect and more attention to the problems of the workers. Supporting the corporate culture of the company. Improving the motivation and development of staff
	↓	$\Delta OS + \Delta LMS < 0$	Urgent rotation of employees who hold key jobs, but not fully meet the requirements by actively seeking the job market and attracting the best candidates outside or using internal personnel reserve
	←	$\Delta CAHRM + \Delta SPPA < 0$	Making adjustments to the program of formation and training of personnel reserve to accelerate the replacement of managers in crisis demonstrated a lack of professional competence. Denial of social benefits guaranteed by the collective nature except those established existing labor laws. Enhancing mechanisms of moral motivation. (If you cannot pay high wage – praise more)
<i>Competitive status:</i> the company operates in an attractive state personnel policy and precarious labor market has a very strong competitive advantage in the management staff and poor staffing	↑	$\Delta OS + \Delta LMS > 0$	The development of new competencies and skills are important because the company plans to achieve advantages over competitors due to the concentration of technical, financial and human resource capacity in specific areas of activity. Assessment is carried out mainly by the individual results and is formalized
	→	$\Delta CAHRM + \Delta SPPA > 0$	Know your staff needs and develop appropriate measures for its promotion. Reorientation of socio-economic support to individual social priority packages for the most valuable employees. The company's management focuses on the good working conditions, professional development and career growth of employees
	↓	$\Delta OS + \Delta LMS < 0$	Individual guarantee against layoffs that fully meets the requirements for jobs that they hold. Finding qualified professionals for major jobs. Enterprise looks for the necessary specialists among its employees, evaluating and developing their potential. The efficient training of workers
	←	$\Delta CAHRM + \Delta SPPA < 0$	Implementation of various methods of individual psychological support for personnel elite of company. Refusal of prestigious but costly training programs for administrative and managerial personnel in specialized training centers. Enhancing the implementation of collective forms of payment, which allows to organize the process of reducing production personnel on the initiative of labor collectives (exemption from less members)
<i>Defensive status:</i> the company operates in a fairly unattractive state personnel policy with unstable labor market, weak competitive advantages in the management staff and poor staffing	↑	$\Delta OS + \Delta LMS > 0$	Reorganizing management structure. Developing and using measures aimed at saving workers who fully meet the requirements on their key jobs. Development of training managerial staff and retraining existing staff who are not being redundant
	→	$\Delta CAHRM + \Delta SPPA > 0$	Reorientation of internal proprietary systems with additional training programs for vocational training, providing staff development. Minimizing the number of employees and basic salary which is based on a fixed salary, which is not related to the actual results of work. Providing normal and comfortable working conditions, care of the health and physical condition of each worker
	↓	$\Delta OS + \Delta LMS < 0$	Immediate dismissal of workers, who demonstrated disloyalty to the open policy of the company in crisis, as well as low-skilled workers and help them with future employment. Reducing the number of employees proportionally reduce the actual amount of performed work. Review the personnel policy of the company. Supporting staff's physical health. Reduction program to stimulate employees because the company needs to move to part-time and refuse overtime work that requires additional payment
	←	$\Delta CAHRM + \Delta SPPA < 0$	Development of the social responsibility of enterprises for their employees (their employment decorated accordingly). Refusing any additional form of compensation which is not related to actual results of employees work. Economically justified reduction of staff
<i>The Conservative status:</i> the company operates on unattractive personnel policy with unstable labor market, weak competitive advantages in the management staff but good staffing	↑	$\Delta OS + \Delta LMS > 0$	The development of the company is ensured by professional, creative and personal development of its employees. Management determines the development of employees through the enterprise and voluntary. Supporting strong team atmosphere of initiative concerned people, ready for mutual support and teamwork. Identification and evaluation of workers potential advancement
	→	$\Delta CAHRM + \Delta SPPA > 0$	Strengthening corporate culture of the company. Increasing the accountability of managers for the development of subordinates. The introduction of special bonuses in the form of a guaranteed percentage of the additional financial effect, the company received by a particular employee
	↓	$\Delta OS + \Delta LMS < 0$	Conduct personnel audits to identify the extent to which specific employees who hold key jobs are set to their requirements. Increasing desire of employees to self-discipline, personal responsibility and improving professional development. Attracting new staff with high qualifications and training existing staff
	←	$\Delta CAHRM + \Delta SPPA < 0$	Development of the training of employees on the job by using the mentoring tool. Enhancing monitoring of the psychological climate in the team, aimed primarily at identifying those that provoke conflict. Formulation of corporate culture of the enterprise for its development

This enables to provide the following strategic advice on the development of HR component of the company:

1. Strengthening of the competitive advantages of the personnel management system due to:

- significant increase in the level of corporate culture of the enterprise;
- improving the social and psychological climate in the team;
- improving the effectiveness of the personnel management system in all the main areas of work (recruitment, development, motivation, etc.).

2. The use of opportunities from positive changes in the state personnel policy, namely in matters related to the increase:

- the level of social security and protection of the population;
- income level of the population (in particular, to raise the level of the minimum wage).

3. Focusing on improving the stability of the labour market and in accordance with the opportunity to increase the efficiency of the institutions of employment, educational and cultural level of the population, etc.

4. Improvement of staffing company (education level, the level of team stability, discipline, responsibility, health) obtained by external opportunities and enhance their competitive advantage.

## 7. SWOT analysis of research results

*Strengths.* The strength of research is the adaptation of the basic tools of the strategic analysis of the enterprise to the tool for diagnosing its staffing component that is one of the top priorities. Namely, the change in the basic characteristics of the coordinate vectors to characteristics that allow to estimate the frame component.

It should also be noted that the proposed methodological recommendations on the search for strategic options for action in the development of the personnel component of the enterprise will significantly improve its effectiveness. The use of dynamic SPACE analysis makes the methodological toolkit not rigid-regulated, but a flexible and effective tool for strategic diagnostics of the personnel component of the enterprise and the formation of a strategy for its development.

*Weaknesses.* The weak side is that the research uses expert evaluation of partial indicators of generalizing criteria. This in turn leads to the emergence of a certain level of subjectivity in the assessment. Also, the problematic point may be the search for competent experts. Although the degree of subjectivity can be significantly reduced by attracting not one but a group of experts, as well as carrying out calculations on the consistency of expert opinions.

*Opportunities.* The opportunities for further research in this direction can be directed as follows:

- development of strategic recommendations for the formation of the personnel strategy of the enterprise not only on the basis of the trajectory of changing the strategic position as a whole, but also taking into account the directions of changing the values of certain generalized criteria;
- adaptation of a matrix of strategic decisions on a personnel component of the enterprise in view of specificity of branch of research or a separate business sector.

Promising are also the issues of organizational and information support of the strategic management of the enterprise, the solution of which would significantly improve the effectiveness of the proposed methodological recommendations and would speed up the process of their adoption.

*Threats.* The algorithm proposed by the author in the development of strategic personnel recommendations is usually not perfect and exhaustive. This algorithm can be transformed and supplemented taking into account the trends in the development of the state personnel policy and changes in the state of the labour market and the state of the personnel supply of the enterprises themselves.

It should be noted that the threats to the results of the conducted studies is that the complexity, multidimensionality and dynamism of the subject of research can lead to certain limitations in the possibilities of its use by the management of the enterprise.

## 8. Conclusions

1. The algorithm for determining the personnel strategic position of the enterprise is proposed on the basis of a combination of dynamic SPACE-analysis and the method of hierarchy analysis (MHA). This algorithm includes seven stages with detailed recommendations on each of them for carrying out specific actions.

2. The generalized criteria of the basic model of SPACE-analysis are adapted to the solution of the problem of selecting the personnel strategy of the enterprise. Thus, in particular, the study identifies the following general criteria:

- internal parameters: indicators of staffing of the enterprise and competitive advantages of the personnel management system;
- external parameters: attractiveness of the state personnel policy and indicators of labor market stability.

3. To assess the general criteria for each of them, six private indicators are formed. This makes it possible to comprehensively characterize each of the criteria. To determine the influence of particular indicators on the generalizing criterion, their weight coefficients are determined. To solve this problem, a method of hierarchy analysis is used.

It is also possible to pay attention to the fact that each of the indicators evaluates its current and prospective state. This, in turn, makes it possible to make a decision on the trajectory of development of the personnel component of the enterprise.

4. Substantial strategic recommendations for possible scenarios for the development of the personnel component of the enterprise are developed. Such recommendations are provided for aggressive, competitive, protective and conservative states of the criteria for internal and external impact.

5. Practical recommendations on the use of the algorithm proposed in the study are shown neither by the example of a particular object of research.

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