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## IMPROVEMENT OF PERSONNEL MANAGEMENT STYLES UNDER INFLUENCE OF MANAGEMENT CULTURE OF AN ENTERPRISE IN THE MACHINE-BUILDING INDUSTRY

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### *Cherep A., Leibovych A. Improvement of personnel management styles Under influence of management culture of an enterprise in the machine-building industry*

*The axioms of industrial enterprises` management styles through personnel are examined. Correlation of personnel management styles and enterprises` development strategy is set. Influence of a client`s loyalty level on enterprise`s innovative potential is definite. The analysis of internal and exploitation conditions designate targeted mission and strategy of enterprise`s development. After examining situation, we came to a conclusion that global corporations have to be converted to the level of line directors and their deputies. The fact that key productive indexes must be based on methodology of enterprise`s general strategy has been understood. Such system of indexes allows classifying and evaluating workers by their place and value for an enterprise. Levels mean the organization of productivity indexes system. Management styles are improved under the effect of management culture.*

### **Череп А.В., Лейбович А.В. Удосконалення стилів управління персоналом під впливом культури виробництва підприємства в машинобудівній промисловості**

*Досліджено теорії стилів управління персоналом промислових підприємств. Встановлено, що кореляція стилів управління персоналом впливає на стратегію розвитку підприємств. Визначено вплив рівня лояльності клієнта на інноваційний потенціал підприємства. Виконано аналіз внутрішнього середовища і умови, які дозволяють формувати цілеспрямовану місію і стратегію розвитку підприємства. Після дослідження ситуації на промислових підприємствах, ми дійшли висновку, що, з метою ефективного управління персоналом, глобальним корпораціям доведеться врахувати стратегічне бачення їх керівництва та рівень продуктивності праці. Доведено факт, що ключові індекси продуктивності праці мають бути засновані на методології загальної стратегії розвитку підприємства. Така система індексів дозволяє класифікувати і здійснити оцінку роботи працівників за їх місцем і значенням для підприємства. Рівні значущості мають на увазі організацію системи індексів продуктивності. Вдосконалено стилі управління персоналом в залежності від ефективної культури управління.*

**Exposition of basic material.** For of most enterprises strategy is a declarative statement of their top - managers approved by their owners. Thus, it is practical implementation of an enterprise's strategic plans that is the most serious test for it. For of realization of strategic goals at the lowest costs and within maximally short - term periods top managers of an enterprise should coordinate enormous amounts of separate measures and employees' actions. Planning of and coordination of actions of divisions and employees in achieving the strategic goals of an enterprise is axiom one of an enterprise's general strategy.

Axiom two testifies that one can only manage something that can be measured. Exactly this determines the reason of high efficiency of this technology of managing an enterprise. In fact, to provide achievement of a strategic goal is possible in case there are indexes directly showing top managers what to do to achieve it and if their actions are correct in terms of the goal set.

Axiom three of an enterprise`s general strategy introduces current and regular control over an enterprise`s strategy implementation.

Axiom four of an enterprise's general strategy assists in combining separate strategic ideas into an interrelated single complex [1].

As axiom five says, the main emphasis of estimation of an enterprise's performance efficiency is shifted to non-financial indexes in the current analysis of financial indexes. Estimation is thus used in a numerical expression of activity lines hard to be measured even at first sight, for instance: a level of customer loyalty or an enterprise's innovative potential.

Many enterprises have an inspiring vision and convincing strategies but they are often unable to use these beautifully described words for combining efforts of personnel with the strategic direction of an enterprise's development.

In the process of the research we got familiarized with an enterprise, which began to develop impetuously and, accordingly, the existing organizational structure and management structure could not provide an adequate reaction to the change of the situation. The team had to be formed again, more exactly its vision of own tasks and order of co-operation. On the basis of the analysis of the internal and external environment the mission and strategy of the enterprise's development were formulated and then the process, which did not resemble team work, started. The board of directors consisted of managers who did not influence the final results directly. Therefore, every manager ranged and solved the arising problems grounding on his own vision. After examining the situation we came to the conclusion that the global goals of the corporation should be transformed vertically up to the level of line directors and their deputies. Here came the understanding of the fact that key efficiency indexes should be based on the methodology of an enterprise's general strategy. Such a system of indexes allows to classify and estimate employees by their place and significance for an enterprise. The organization of this system can be conditionally divided into two levels.

The organization of the system of key performance indexes takes place on the first level. For this purpose a hierarchy of a company's goals is to be built, determining the key performance indexes both for divisions and for employees, then the criteria and procedures of estimation of the set indexes achievement are to be determined.

On the second level the selection and classification of key positions of employees for the following development of the system of bonuses or incentive payments [2].

Here we can observe the relation of the efficiency factor and an enterprise's general strategy. The strategy, goals and tasks are realized by people, managers and personnel, who need some distinctive beacons to show them a path on the horizontal level and enable them to control the correctness of the chosen vertical path. The set of key indexes allows companies to transfer their vision of the strategy in a new, comfortable form, which exposes the strategy through the chosen goals and indexes.

The subsystem of material indexes is formed according to the same scheme. On the first level the building of the bonus system takes place, with the developed key indexes being considered. It is based on the distribution of the bonus fund depending on achievement of the goals set to division (an employee).

On the second level the distribution of salaries and social packages depending on an employee's bonus – his significance for this organization in terms of business goals and his position's responsibilities – takes place.

The development and introduction of a subsystem of non-material motivation can be conditionally divided into three constituents as follows:

- carrier development system – includes the requirements for positions, criteria of advancement vertically and horizontally, building "trees" of carrier development for employees;
- system of professional training and development – plans of development and training, which include the program and receiving necessary professional skills directed to an increase of an employee's status at an enterprise, on the one hand, and to an increase of interest of an enterprise in a high level of its employee qualification, on the other hand;
- corporate culture of an enterprise – includes the system of norms and values characteristic

of an enterprise as well as transfer of the norms and values to employees.

On the first stage the diagnostics of the existing personnel management system should be conducted. Creating the system of motivation one should know all the elements of the management system, their interrelation and mutual influence. It is also necessary to determine the goals and find out the expectation of a company's owners and managers.

On the second stage all these should be put into a separate project. It can be partly formal in case it is about introduction of the system of incentives in a separate department but the participants should understand the importance of the moment. The project should have obligatory attributes, namely: a work group, calendar plan, intermediate and eventual results, rewards.

On the third stage formalization of the strategic goals of an enterprise and their decomposition to lower levels take place. For this purpose the following is necessary:

- conducting sessions on the strategy with owners, top managers, key specialists; formalization of the general business strategy;
- determination and agreement of functional strategies (or policies), formation of the hierarchy of goals.

On the fourth stage after the preparatory stage given in the previous steps, we proceed to development of key indexes of activity efficiency.

Business processes should be distinguished and described. Business processes should be assigned to their "owners". The matrix of responsibilities should be formed, an enterprise's strategic goals should be specified to business processes. For estimation of efficiency of business processes implementation it is necessary to determine one, two or three indexes [3].

On the fifth stage we should learn to measure certain indexes. For this purpose it is necessary to use the method of rate setting known from scientific organization of labour. We should conduct a time-study, collect statistical information and develop rates. Before approving the rates, we should make a thorough calculation of the indexes, estimate their actual value, determine the target values of the indexes, with business strategies being considered.

On the sixth stage the introduction of the system of personnel motivation is carried out. This requires the following: to attach concrete values to the indexes; to develop the systems of payment with the efficiency factor being considered; to make a test calculation of salary according to a developed scheme on the basis of previous periods indexes; to present the goals, indexes and the system to an enterprise's personnel.

On the seventh stage there can be a probability that on the initial stage not everything was considered and calculated as necessary. Therefore you should not be afraid to correct the indexes, their values. The main fact is that the personnel should be warned about it. The employees should understand and support the system proposed. Otherwise, one will not be able to avoid "quiet sabotage" or even complete non-acceptance and refuse to work [4].

Management style is improved under the influence of management culture, goals and methods applied in practice. In the conditions of market relations development, introduction of new management methods, development of a variety of ownership forms a management style changes essentially.

The characteristic features of a concrete management style are flexibility, tactfulness, veracity, justice, demand, care for inferiors.

In its turn, culture of operations management is determined by a measure of thoroughness in all the fields of production and economic activities, commercial activities, social sphere, moral and psychological climate of the collective. Management culture reveals itself in work ethics, aspiration to executing it in a qualitative way. An increase of management culture also depends on gaining scientific knowledge, timely use of experience and management culture in advanced countries.

Style in management is a method of realization in practice of the most difficult socio-economic and psychological aspects. Management style is a form of display of the operating management structure, it is formed in the process of mutual relations of managers with their

inferiors.

It means that every employee of the operating management structure can render influence on developing a management style. In its turn, a management style developed by the collective influences every employee in particular.

A degree of mutual penetration and influence of a management style accepted depends on specific features of productive, social and psychological conditions.

Social and psychological aspects of management are directed to development and study of social and psychological regularities of an employee's behaviour in a work process, his personal traits, creative capabilities, motivational factors, personal necessities for the purpose of revealing potential possibilities, obvious and hidden reserves [5, p. 89].

Therefore, activity of managers of all levels should aim at creation of a healthy moral and psychological climate, comfort labour conditions for achievement of goals set by an enterprise, its structural divisions and every employee personally.

Social and psychological problems related to formation of formal and informal groups in a collective, a mechanism of mutual relations in the hierarchy of management (vertically and horizontally), relations between managers should become the subject of a detailed study,

Labour efficiency and productivity not only of a separate employee but also of the whole collective greatly depend on the manager of any level, his style of personnel management. Thus, achievement of both intermediate (short-term) and long-term goals of an enterprise depends on the manager, his behaviour, ability to lead small or large groups of people.

In order to be a leader, a manager of any level should have a number of personal qualities which do not fit into a single model, but he must have a certain level of intelligence and knowledge, honesty and initiative, socio-economic education, efficient style of thinking.

All managers are divided into autocrats and democrats. The distinguishing features of autocrat managers consist in the fact that autocrats, as a rule, have a great power and impose their will to inferiors, always thinking that people do not aspire to work intensively, avoid responsibility in every way, prefer to be managed. It is the first reason. Secondly, people search for social protection that is why they perceive strict measures of forcing them to work quite easily.

In the autocratic management style an autocrat aspires to centralization of management and practically does not give freedom of actions to his inferiors.

In the democratic management style a manager proceeds from the fact that if favourable labour conditions are created for people, they will aspire to assuming additional responsibilities, will improve self-control of the actions in the process of work, constantly compare their job performance to sizes of rewards, constantly aspire to developing their creative potential and qualification.

**Conclusions.** In the system of an enterprise's management we should distinguish several functions of a management style a manager must adhere to for providing an enterprise's efficient performance. They are as follows: dependence of results and activity methods on the quality of thought and action; formation of an activity style under the influence of a manager's personality type, his traits of character; dependence of an action style on determination of goals, tasks, methods of management activity, forms of management process organization; style as a qualitative characteristic feature of a management process; interdependence of a management style and staff competence.

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