# The approaches of criteria option for evaluating the effectiveness of the personnel control system in company

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Аннотация: Барчага маълумки, самарадорлик умумий ишлаб чиқаришда бошқарув тизими самарадорлик кўрсаткичлари билан боглиқдир. Бошқарув тизими самарадорлигини бахолашга ёрдам берувчи бир қанча ёрдашувлар мавжуд. Бу ёндашувларнинг ёрдамида компания директори бутун жамоа ходимлари ишини бахолаши мумкин. Бундан ташқари, юқори бошқарувчи билан биргаликда турли кўрсаткичларини солиштириш мумкин. Бу фаолият компания холати ва келажак учун режа тузиш учун ёрдам беради.

Аннотация: Общеизвестно, что эффективность общественного производства зависит от эффективности системы управление. Существуют различные подходы, которые помогают оценить эффективность этой системы для организации. Благодаря этим подходам директора компании может оценить работу всего коллектива. Кроме того, высокий менеджер может сравнить различные показатели вместе. Это позволит ему увидеть всю ситуацию и принять меры для его зарядки к лучшему.

Abstract: It is common knowledge that efficiency of social production depends on the effectiveness of the personnel control system of each company. There are diverse approaches that help to evaluate the effectiveness of this system for the organization. Owning to these approaches the director of the company can estimate the work of the whole staff. In addition, the high manager can compare different indicators together. This will allow him to see the whole situation and assume measures for changing it for the better.

**Key words:** personnel management, personnel control system, criteria of the effectiveness, the approaches of criteria option

#### Introduction

The competitive struggle has been increasing for the last 5 years in the world market. Companies try to improve their market position and their competitive advantages. It happens due to minimization of costs and increasing the effectiveness of the personnel control system. In spite of the skilled administrative staff and well-developed strategy, nevertheless the main work is done by average executives. It depends on the achieved aims for the requested period of time in the company.

First of all, it is necessary to draw your attention to definition «personnel management». So, the personnel management is a system of different activities of high managers or the whole staff.

The personnel management has two functions:

1. control of employees activity;

2. computational and analytical work with digital information (calculation of staff requirements, determination of staff cost, analysis of personnel and making staff list).

The personnel management consists of three levels. These are operational, tactical and strategic levels. The operational level represents all functions of HR-department, beginning with data analysis and finishing calculation of staff cost. The tactical level highlights the relationship among staff and the organization as a whole. The strategic level focuses on the relationships and information within the organization. This level is designed for improving readiness to competitive struggle, supporting of business strategy and providing of forecasting of external environment elements.

Let's consider other definition of personnel management. The personnel management is purposeful activity of top executives and middle managers. Their activity is developing the strategy of personnel policy, principles and methods of personnel management.

However, staff is one of the most complex control objects of the organization as opposed to material factors of production. Besides, staffs makes decisions and assess the requirements critically for them. The staff also has subjective interests and they are extremely sensitive to the impacts of top management.

## Literature review and research metrology

Talking about the effectiveness of personnel control system, it is advisable to consider the personnel control system as part of the efficiency of social production, as labor which is one of the most important factors of production for any company. In economic theory, efficiency is considered to be based on the goals of the company. Frankly speaking, the effectiveness is related to correlation of value of the result and costs.

It is generally assumed that the personnel control system consists of several aspects. These are recruitment, training and development of staff; remuneration and motivation system.

According to some foreign scientists, the companies with high strategic abilities (strategic potential) have more stable market position and higher efficiency in comparison with other companies in this sphere.

Nevertheless, the personnel control system ensures increasing of stock's value up to 10–15 % [1].

As a rule, there are three approaches for criteria option for the effectiveness of the personnel control system evaluating [2].

- 1. The followers of the first approach suppose that the most significant indicators are criteria-based that established on final results of business.
- 2. The followers of the second approach guess that criteria indicators must show effectiveness and complexity of direct labor.
- 3. Other group of scientists suggests that the effectiveness of the personnel control system has to be determined with organization and working motivation; social and physical climate of collective.

As indicators of criteria are offered such like these: 1) staff turnover; 2) skill level; 3) the cost of employees session trainings; 4) costs on social programs, etc.

G. V. Savitskaya considers that the main indicators of the using of labor are labor utilization and labor hours, labor productivity and relative indexes on salary.

## **Analysis and results**

- G. V. Savitskaya offers to carry out the analysis with the help of the following steps [3]:
- 1. estimation of labor supply and the calculation of indicator for determination of man power changing;
  - 2. analysis of the effectiveness of working time;
  - 3. estimation of labor production;
  - 4. analysis of costs on salary;
  - 5. search of growth rate correlation and salary.

According to A. U. Kibanov, there are different objectives for determination of the economic efficiency. The economic goal is to get profit from the sale of products or services in the specified amount and the required level of quality. The scientific and technical goal is in providing with an essential level of scientific and technical products (services). The main aspect of this goal is constant improvement of labor productivity by means of applying on technical innovations. The productive goal is to ensure the planned amount of products and services with specified level of quality and smooth production flow. The commercial goal is to ensure products (services) selling, as well as to make the results of researches and design projects within predetermined deadlines. The social goal is to provide organization with personnel. It is very important to be able of finding the ways for effective using of personnel in the company. The personnel should feel that the company takes care of their professional and social development.

The social goal is considered from two sides:

- 1) administration's position when it comes to employees hiring;
- 2) employees' position when it comes to their desire to work in the company. If the company wants to achieve the general aim, first of all it has to choose goals of I, II, III levels [4].

Targets of workers, hired for working, are to be presented in the picture 1. So, if the company administration sets goals to create normal conditions to use professional and social development staff effectively, in this case the employee is a consumer of these conditions.

We can see example of goal decomposition in the picture 1. There are three types of goals. These are the goals of 1, 2, 3 level. And the highest and the most important goal is general goal. It's presented at the top and in the middle of the picture 1. The goals of employee and employer should coincide together. It helps the organization to reach all its goals with minimum costs and to increase its efficiency as much as possible.

Nowadays, the personnel control system consists of personnel department, training department, department of labor and wages, department of social development and other departments of social infrastructure; occupational safety and safety measures department, social department, department of environmental protection, legal department, methods development, functional department, administrative department, scientific and technical department, patent and license

department, designed department. The functional approach must be considered together with systems approach. The value analysis has its certain properties. This approach helps to analyze external and internal environment of the organization.

## **Conclusion**

The value analysis allows determining the state of functioning and trends of administrative development of each employee or the whole department. The value analysis helps to reveal the costs that are necessary in specified amount for the company.

According to Dave Ulrich, there are some efficiency indexes of the personnel control system [5]:

- measure of productivity for one employee;
- costs and other results during special trainings;
- skills of employees, loyalty and staff morale;
- rate of business processes before and after innovation.

According to John Phillips, the efficiency indexes of the personnel control system are determined in the following way [5]:

estimation of investments in HR departments = costs of staff service / operational costs;

estimation of investments in HR departments = costs of staff service / number of employees;

an index of absenteeism = absences + number of employees have dismissed unexpectedly;

an index of satisfaction = the number of employees who are satisfied with their work, expressed as a percentage;

criterion determining unity and harmony among employees within the organization.

We have to establish the fact that there is no common approach for evaluation of the effectiveness of the personnel control system in the organization. It is to be noted there are available methodical and methodological approaches of national and international researches that require obligatory correction for spatial and temporal factors in this direction taking into account transitory and spatial factors.

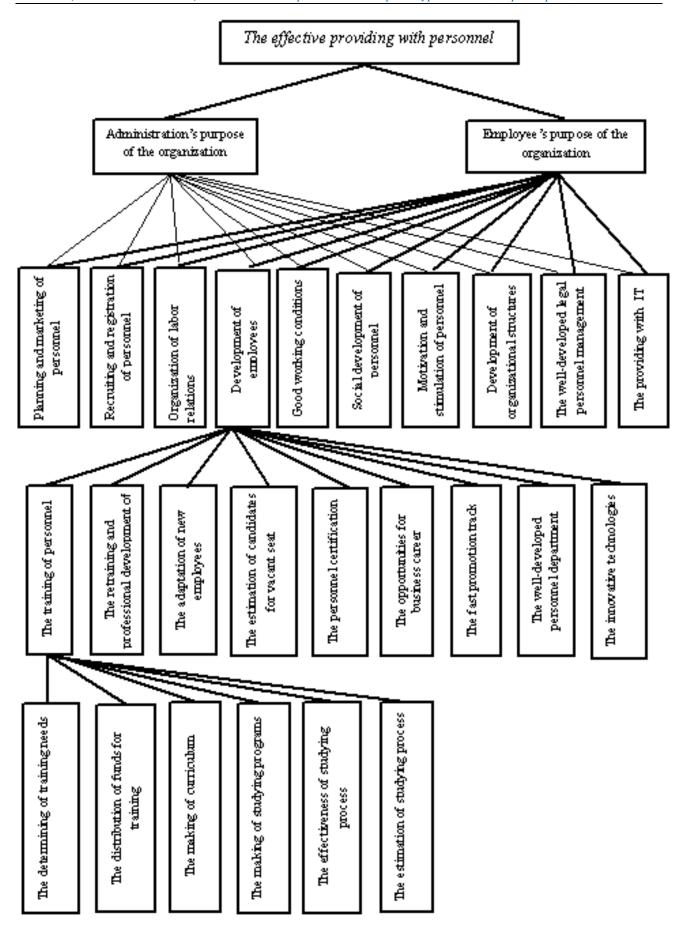


Fig. 1. Example of goal decomposition

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