

## Improvement of the system of personnel evaluation in the circumstances of contemporary Russia

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**Abstract.** The article reveals main methodological approaches to formation and implementation of comprehensive system of personnel evaluation at enterprises and organizations; determines the position and importance of the employees' labor performance evaluation in the overall system of management of human resource and of the entire organization; and pays special attention to the main principles and methods of methods of personnel evaluation, arrangement of the procedure of personnel evaluation, development of contemporary forms of personnel motivation to obtaining new knowledge and skills.

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### Introduction

Over the last years, improvement of the labor potential used in the economy has become considerably more urgent. Human capital has always been one of the main factors of expedited development of production and the services sector.

At the same time, analysis of the current situation in the Russian economy showed that in 2013 considerable slowdown of the growth rate in many sectors of the economy was observed. According to Rosstat's reports, the rate of the industrial production growth in the first half of 2013 achieved just 100.1% of the same period of 2012. At that, the processing branches of industry for the said period showed no growth, and the construction industry reduced by almost 2%, which is mainly explained by the 1.4% decrease of investments in the capital stock [1].

Unfortunately, the data published by Rosstat do not unveil the statistics on the rates of labor productivity growth and the personnel number increase by main sectors of the economy. But, judging by the increasing number of foreign migrants (the positive balance of migration in Russia in the considered period reached 130,000 persons), employment in Russia, especially in menial work, increases against the background of general slowdown, and in some cases against the background of the slowing down rate of workforce productivity growth [2, 3].

In these circumstances, the situation at the majority of Russian enterprises seems to be very complex and contradictory, as against the background of Russia's joining to the World Trade Organization and the considerably increasing external competition, the profitable sales markets are shrinking, and

demands to products quality and to decrease of the primary cost of production become tougher [4].

High quality of products and their competitiveness can be achieved only by using advanced equipment and skilled workforce. Currently, many enterprises and organizations are solving the complex problem of how to ensure development of the workforce potential, improvement of the professional qualification of employees and their labor efficiency with minimum financial costs [5]. Solution of this problem can be mainly determined by improvement of the system of personnel evaluation, the concept of which resides in identification of weaknesses of the personnel structure of an enterprise, formation of the prioritized training programs, retraining and refresher courses for certain groups of employees by their professions and qualifications.

In this view, personnel evaluation is the most important element of the personnel policy of enterprises and organizations. At that, personnel evaluation is largely perceived by the contemporary scientific and training literature as an element of evaluation of an employee himself (including managers of all levels and other personnel). The methods of employees' evaluation that are most often used and widely spread usually are limited either to evaluation of the newly employed workers and specialists or to their periodical certification in the course of their labor activity.

But the current environment proves it obviously insufficient. There should be comprehensive evaluation of the human resources of an enterprise or an organization, which would include broader understanding of the efficiency of use of each employee. Personnel evaluation needs to be

carried out along with certification of the work spaces, application of the newest forms and methods of scientific organization and rating of the labor, use of modern mechanisms of efficient performance motivation, etc. [6].

Application of all possible levers and tools of proper and professional distribution and use of labor within an enterprise is achieved only when all factors determining efficient use of every employee and ensuring reasonable displacement and selection of personnel are evaluated.

As soon as a person being employed enters an organization that is new for him, he needs to immediately feel the complete trust to his professional skills and competences. He needs to be permanently shown that he (the employee) and the organization are a single organism united by common goals and objectives. And that during many years of his work, the enterprise will permanently create all necessary conditions for his professional advancement, self-development, and self-affirmation, including upgrade of his work space, improvement of conditions, nature, and safety of his labor, development of motivation systems, etc.

At that, the employer may count on his response in the form of strong loyalty and responsibility for assigned tasks, good discipline at work, development of creative initiative, creativity, etc. Only based on mutual benefit in the circumstances of maximum usage of all factors ensuring highly efficient labor, one can state that the necessary prerequisites for evaluation of use of the whole personnel and each particular individual have been created [7].

With such benevolent approach, the comprehensive personnel evaluation must be carried out in several stages:

1) evaluation of the essential conditions created at the enterprise for highly efficient labor of employees (by each workspace, office, etc.).

2) evaluation of the extent of conformance of the employee's professional competences to the requirements of the respective workspace (office). If the conformance has not been achieved, they need to find out by whose fault it happened and what is being done to change the situation for the better.

3) evaluation of performance of the HR division as well as other respective specialists and managers in prospective planning, regulation, and improvement of the personnel management at the enterprise with regard to ensuring the maximum practicable assignment of personnel and use of modern means and tools of arrangement and motivation of labor at the organization.

Thus, if for an employee rather comfortable environment for development and self-development

as well as for professional advancement and improvement of competences have been created and he failed to make use of them, it is one thing. Otherwise - it is quite another.

If an employee did not have any conditions for periodical refreshing of his qualification, if due to production causes he had to often work over time, and if the enterprise does not pay due attention and does not assign any funds for personnel development, it is a very different situation. And in this case, blaming the employee at his evaluation for lack of initiative and creativity is rather immoral.

Along with that, there are some more important principles of personnel evaluation. The core principle is to ensure feedback from subordinates. It means that the tested employee must know how the company management will evaluate the results of his work and his aspiration for prompt fulfillment of his responsibilities and how objectively they will do it.

At the same time, business evaluation should follow the principle of publicity. This circumstance assumes open discussion of the relevant spheres of the employee's activity as well as selection of ways to improve it. Along with that, it is necessary to vocalize the deficiencies in the worker's or specialist's performance, to point out the mistakes he has made, and to jointly discuss the ways to eliminate them [8].

Finally, the essential requirement to personnel evaluation is abidance by the principle of justice, i.e. the manager must no way use the procedure of evaluation for his personal purposes, e.g. for firing an employee that has fallen from his grace.

At evaluation of personal qualities of an employee, it is necessary to determine:

- which qualities need to be selected from the total possible list.

- which of the selected qualities will be the main ones for an employee holding a particular position.

- whether the selected criteria will make it possible to evaluate the performance of personnel (crew, section) objectively using single methodology or they will require separate methodologies for each category of employees. For example, at evaluation of personal qualities of a manager, it is necessary to evaluate his personal leadership, loyalty to the company, sociability, stress resistance, weight in the team, certain charisma, etc. At that, the main test of the professional experience and skills of a manager needs to be carried out by estimating the practical effect of his activity. With this purpose, it may be useful to use the currently popular system of key performance indicators (KPI) [9, 10].

For example, at the Stanford Research Center, in order to carry out deeper professional evaluation of the research staff, they actively analyze five main directions of the activity of the said category of employees: professional contribution, commercial implementation of new ideas, positive networking with customers, marketing orientation of their research, and proficient fulfillment of the main functions of an executive manager (if he has such responsibilities). At that, for each of the five analyzed directions, they apply six evaluation criteria, which have been developed and harmoniously integrated in the labor process, allowing to comprehensively and objectively evaluate professional performance of the researcher and state main directions of improvement of his scientific and applied activity.

Such an approach can be extensively used in Russia at evaluation of a wide range of various directions of the economic activity of employed personnel. But it requires considerable financial investments and time spending for particular practically used system of criterial evaluation of employees with the purpose of further improvement of their performance.

At evaluation of labor productivity, it is necessary to take into account its complexity and various factors influencing the labor process. In this case, the evaluation allows determine more objectively what the employee has done in order to achieve certain results. The so-called potential evaluation of employees' abilities with the purpose of forecasting their future performance in various situations with account for the complicating objectives of the corporation has also started developing lately. Application of this approach assumes developing and using respective methods of forecasting of an employee's potential abilities and presence of highly skilled experts for doing this work.

Practical application of the evaluation results has lately become critically important for enterprises. Unfortunately, a rather limited package of preventive measures on improvement of employees' performance is often taken following the results of personnel evaluation. At the same time, the quality and the results of evaluation make it possible to:

- assign the personnel more efficiently by selecting candidates who are suitable for vacant positions;
- improve the use of the labor potential of an enterprise based on planning the business career and professional advancement of employees among other effects;
- determine optimal training, refresher and retraining courses for the employees;

- encourage the labor activity using modern motivation systems in order to achieve maximum conformance of the labor effect and payment as well as maximum satisfaction of employees;

- improve the forms and the methods of work of all level managers at an enterprise.

An efficiently built system of personnel evaluation greatly influences on the performance of an organization in production and financial and economic terms. First of all, it allows:

- assessing the current labor potential of an enterprise and determining main trends of its development according to the strategic and long-term objectives of the organization by, among other measures, making the role and the significance of the personnel development system in the improvement of the financial and economic position of the enterprise more important;

- determining the weaknesses of the personnel planning system, particularly at calculation of the qualitative and quantitative demand in personnel by professions and qualifications;

- developing main strands of work on improvement of personnel reserve formation, management of employees' business careers and professional advancement, and their preparation for more complex and more responsible functional and production activity;

- improving the structure of the administrative apparatus of an enterprise (substantiation of the number of executive staff, specialists, and office employees at functional divisions, etc.).

- improving the efficiency of using social and psychological methods of human resource management (increasing responsibility and loyalty of employees, reinforcement of mutual understanding and coordination between subordinates and the executive staff, etc.).

The results of the research, on which this article is based, show that the modern procedures of personnel evaluation using advanced methods have not been sufficiently implemented by Russian managers. It is necessary to extensively study the foreign experience that has been accumulated for years and adapt it to the Russian environment. Formation and implementation at enterprises and organizations of the comprehensive system of evaluation of the performance of skilled workers, specialists, and middle and top level managers is found a necessary but at the same time rather complex and multipurpose objective, which incurs multiple in-house difficulties and problems. But we believe that all these efforts will be repaid in hundredfold by considerable economic and social long-term effect, which will be based on the

permanent development and self-development of personnel, reinforcement of unity of the workforce, and improvement of the creative dedication of each employee.

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