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## CREATING MOTIVATION FOR EMPLOYEES THROUGH KPIS SYSTEM

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One of the features of personnel management in the context of globalization of economic activity is to increase the efficiency of its employees. According to the results of the research of the publishing «Harvard Business Review» in the average company: 5% of employees work well; 5-7% - work poorly; 88-90% - able to work effectively with the correct setting of goals and control of tasks [18]. Some issues of the importance of motivational tools were considered in the works [8], [11], [23 ], [31], which indicates the relevance of this issue and the need for constant review and implementation of best practices of staff incentives in modern organizations.

General trends in changing the level of motivation of the population to work effectively and its effectiveness are determined by indicators of the macroeconomic situation in the country, the spread of informal employment in the country, the processes of innovative development of enterprises and strengthening their innovative activity, state policy of employment regulation in Ukraine, as evidenced by research by scientists [30], [33], [28], [32], [16].

At the present stage, the basis of the concept of personnel management consists of the growing role of the employee's personality, knowledge of factors his motivation [17], the ability to form and guide it in accordance with the tasks facing the company [20], as well as the need to take into account the talents of staff [29], and job satisfaction [21]. The basis of an effective system of staff motivation should be based on the goals of strategic management of human resources. Among such goals are: the ability to form a sense of self-importance in the functioning of the enterprise and adequately assess their abilities; understanding what he is working for, as the motivation system is usually long-term; the ability to achieve all goals [3], [12], [13], it is especially important to study the impact of motivation on work efficiency for both employers and employees during the COVID-19 pandemic [27], [4].

In terms of project management, the remuneration of employees of the organization should be directly related to the effectiveness of projects and readiness for their implementation [24]. In addition, motivation depends not only on material incentives, but also on other factors: the attitude of managers to subordinates, the level of their trust in them, the level of employee loyalty to the company [34].

It is possible to form an effective staff motivation strategy and its high business culture through the introduction of an effective system of key performance indicators (KPI), as confirmed by research [2], [22]. However, a significant number of domestic companies in Ukraine do not use the KPI system, in particular for the following reasons: insufficient level of knowledge of professional training of managers, lack of established procedure for adapting foreign methods of building KPI in national companies, resistance to organizational change on the part of staff.

To motivate employees to achieve the goals of the organization, expressed in the desired key performance indicators, it is necessary to identify the motivational needs of employees and measure the degree of satisfaction of these needs using the motivational profile [26] or by the criterion of quality of working life [25].

The system of motivation in a modern organization must take into account the potential of the motivational potential of its staff. Motivational potential characterizes the readiness of the employee to the maximum return on work, the implementation of the acquired knowledge, abilities, skills, abilities, development of competitiveness and reflects the level of satisfaction of the motivational needs of the employee. The higher the value of motivational potential, the greater the satisfaction of motivational needs of employees, and, accordingly, the more effective for the company can be the work of such employees. The motivational potential of the enterprise, calculated as the sum of the values of the motivational potential of employees, divided by their number, indicates the effectiveness of management in personnel management [3].

The system of motivation based on KPI, orients staff to high individual and team results, achieving certain goals of the company. A number of studies by scientists and practitioners in various fields of activity confirm [5], [10], [9], [6], [7], [14], [15], [19]. the existence of a relationship between motivational aspects and the desired results of organizations.

The process of implementing the Key Performance Indicators system consists of the following stages: development of company strategy, definition of financial indicators, decomposition of goals at the department level, creation of KPI matrix, KPI definition matrix for employees, determination of KPI quantitative indicators, determination of bonus fund, monitoring, KPI review, feedback [1].

Given the prevalence of practices of using team forms of work organization in the project activities of modern organizations, we consider it appropriate to consider the formation of motivational tools that would take into account indicators of the level of team involvement in the implementation of the KPI system. The level of team involvement is an indicator of quality interaction of team members, which indicates the actual physical, emotional and intellectual state of team members, employee concentration on the task and satisfaction with their team role. The high level of team involvement indicates the motivation of members to perform their work in a team as best as possible. The level of involvement in general is a tool to

simultaneously reduce the cost of motivation. By managing team involvement, the business owner can be confident that employees share the company's values and take responsibility for achieving the company's goals.

To develop a high level of team involvement, maintaining staff motivation, it is necessary to maintain a culture of quality work. The conditions for ensuring a culture of quality work are: the competence of all employees; regular feedback on the results of work and achievements of the whole department, on the effectiveness and competencies - each personally; transparent (public) system of motivation; explanation of controversial personnel decisions to the team.

Development of KPI indicators should take into account changes in corporate culture and process organization; development of a holistic strategy for KPI development; explanation of staff preferences; KPI identification of corporate KPI; selection of crucial KPI for the whole organization; developing a reporting structure for all levels; coordination of KPI application; regular review of KPI to maintain their relevance.

The introduction of KPIs remains a clear and transparent motivation of the system by recording planned and actual values, which allows the manager to understand what and how motivates employees, and employees - to understand under what conditions and what reward he received. The advantage of creating a KPI system is to identify the expected achievements of management, while allowing for creativity and ingenuity of the team, which motivates the team to succeed and internal competition. Analysis of the methodologies of the system development KPI for the organization shows that the optimal number of indicators should be between 15 and 20. Otherwise, the team manager will be overwhelmed by planning and the company's management by monitoring KPI, which do not greatly affect the performance of both teams and companies.

The implementation of the KPI depends on the level of team involvement and is appropriate for the units working on the implementation of projects. The introduction of a staff motivation system based on KPI is an important tool for HR managers.

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Наукове видання

# **СОЦІАЛЬНО-ЕКОНОМІЧНІ ВИКЛИКИ**

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