AS A 5-FOLD INCREASE IN THE RETURN ON INVESTMENTS IN MANAGERIAL STAFF

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<u>Abstract</u>. Requirements to knowledge and competencies of administrative personnel have changed in the conditions of transformation of economy. The ideal model of the head of a new type of built studies. It includes 7 key competences, grouped in the following way:

- 1. personal skills: leadership, creativity;
- 2. managerial competences: ability to work according to the plan, the ability to allocate the main thing;
 - 3. subject knowledge: innovations in management, law, marketing.

Training a new generation of «Innovations in management» is designed for rapid development of managerial competencies. He simultaneously develops the 5 key management competencies within two days. The use of the training of a new generation ensures the growth of returns on investment in managerial staff in 5 times.

Object of study: investment in human resources, working successfully in the conditions of transformation of economy. The urgency of work is determined by the high cost of training and development of management personnel, and low efficiency of the modern educational system, the importance of introduction of innovations in a tough competitive environment.

Objective: to develop and test conditions that increase the return on investments in development of the key competences of the management personnel.

<u>Research methods</u>: questionnaires and statistical analysis [1], focus groups, modeling and pedagogical experiment.

The study was conducted in three stages from 2008 to 2013.

The first stage consisted in the statistical evaluation of the value of prices of educational services on the development of managerial competence of managerial staff in Belarus, Russia, Ukraine.

The second stage consisted in the implementation of the qualitative analysis of key competencies and compiling the ideal model of the head (on the example of the Director of the school).

The third stage is devoted to a quantitative assessment of the effective values of the key competences of the head (also on the example of the Director of the school).

Designing the training of a new generation of «Innovations in management» for training and development of key competences, run in parallel with research

during all three stages.

The educational services market research showed a high level of prices for management training. One training day management training and management of personnel costs was \$250-300 for one person [2, p.6]. Payment of the full cycle studies, lasting 2-3 days was \$500-900 per one head.

Companies with staff of more than 400 people have about 80 managers of different level. Investments in the training of 80 heads is \$40000-72000. The absence of these 80 supervisors is 160 days in the aggregate, provided training for two days.

The hypothesis of the study consisted in the possibility to increase the return of investment in the development of management training:

- due to the concentration of resources on the development of key competences;
 - due to the simultaneous integrated development of competencies.

Seven key competences have been established through the questionnaire survey of managers and professionals. The survey included 414 people from regions of Russia: 85 heads of JSC Russian Railways and of Ministry of internal Affairs of Russia; 30 heads of Municipal bodies of education management; 19 Directors of schools; 213 teachers; 48 students of management and economics. The questionnaire for the identification of key competences, were drawn up in accordance with the requirements of the new state standards for the results of education. Each of the 3 groups included 10 competencies (borrowed from GK.Selevko, adapted for managers). Competence in the questionnaires were ranked in importance with respect to the conditions of transformation of economy.

The ideal model of the head was drawn up in the form of 7 key competencies that received the highest score of the respondents on each of the three groups of competencies:

- 1. personal skills: leadership, creativity;
- 2. managerial competences: ability to work according to the plan, the ability to allocate the main thing;
 - 3. subject knowledge: innovations in management, law, marketing.

The ideal model is pedagogical fact, which should be considered when implementing the state personnel policy in the conditions of transformation of economy. This model is useful for development and assignment of managerial staff and work with personnel reserve. Drafting the model described in [3, p.44-46].

The obtained model of correlated well with the overall model of the head of the world management systems [4, p.57-59].

Quantitative estimation of the degree of manifestation of the key competences of real executives showed the following results [5, p.124]:

- leadership is 79,00% of the required level;
- creation is 56.25 % of the required level;
- ability to work according to the plan is 69,10% of the required level;
- the ability to allocate the main thing is 66,25% of the required level;
- knowledge management innovation is 70,50% of the required level;
- knowledge of the law is 71,75% of the required level;
- knowledge of marketing is 55,25% of the required level.

According to these data, the real head of the 21-45% does not reach

the level of key competences needed in the conditions of transformation of economy.

The difference between the ideal model and real competences laid down in a basis of the development of the training of a new generation of training and development of managers.

Increased return on investment in human resources is seen in the simultaneous development of 5 of the 7 key competences specified in the ideal model of a manager:

- 1. personal skills: leadership, creativity;
- 2. managerial competences: ability to work according to the plan, the ability to allocate the main thing;
 - 3. subject knowledge: innovations in management.

The most difficult moment was complex, simultaneous development of personal and managerial competencies.

Interactive multi-purpose training of a new generation intended for the training of the leaders of innovation management with simultaneous complex development of the personal and managerial competencies. Training was prepared on the basis of the theory of a holistic educational process, the theory of the personality structure, theory of functional asymmetry of cerebral hemispheres, the theory of the unity of psychosomatic system, theory relations of C.GJung, the principles of

intensification of training, the principle of universal talent, complex use of 8 functions of interactive training and other. Training is based on the conscious creation of a stressful situation, forcing the participants to make decisions quickly to achieve a specific goal in the incomplete information provided to limited time and other resources, combating other participants and the teacher. Educational information is presented in such large quantities that exceed the subjective psychological barriers assimilation of participants [6, 7-16].

Experimental verification of the training of a new generation of «Innovations in management» has shown high effectiveness of the training as a tool for studying the theory of management, training of personal and managerial competencies. The growth of the discipline skills for innovations in management is shown in the figure.

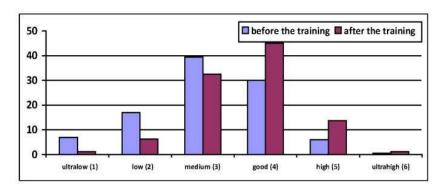


Figure 1 - Change in the level of expression of management knowledge and skills

The growth of personal and managerial competencies during the training the new generation is shown here:

- leadership 16%;
- creation 420%;
- ability to work according to plan 57;
- the ability to allocate the main thing 82%.

Thus, the use of training a new generation of «Innovations in management» improves returns on investment in human resources in 5 times due to the simultaneous development of the 5 key competences from the ideal model of the head.

Mikhail Kononov, the Head of the Moscow data center, Russian Railways: «We have the following results when developing managerial skills for 40 managers:

- speed and quality of work of administrative personnel increased by 57-82%;
- comprehensive approach to the development of management skills and competencies brought an additional 180 man-days;
- Budget saving for personnel development amounted to \$30500 at the expense of application of new patented technologies of training and development of managers».

Vera Piskareva, Deputy Director of school:

«I knew theory (managerial functions, principles and so on) before. But my knowledge was on paper, book. Understanding its, awareness of oneself as Manager comes now only. I bought a new dress, this is a very pleasant effect of this course».

Valentina Bazilevskaya, specialist:

«Thanks to the courses. I learned to be more creative approach to work. My

speed of thinking has increased. Most of all I liked that the courses are given practical tasks. I will recommend Your training to my colleagues».

Recommendations for the implementation: results of the research can be used by owners and top managers of the Companies for the selection and development of management personnel in the conditions of transformation of economy.

The economic efficiency of work: the use of training a new generation of «Innovations in management» in general practice improves returns on investment in management resources in 5 times.

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Екзистеннійні комунікативні питання управління: та Міжнародної науково-теоретичної конференції, м. Суми, 23-25 січня 2014 р. - Суми: Сумський державний університет, 2014. - Ч.2. - С. 15-19.