Development of the human factor in the conditions of the transforming Russian economy

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Abstract. The power of the country and society is determined not only by the size of the country, the availability of natural resources, the power of financial capital, but also embodied in the human stock of knowledge and skills, intelligence and creativity. The driving force of social development is the human factor, which gives the economy an innovative and intensive character, structural dynamism, high quality.

In the modern world, man and his development is not only a factor that creates social wealth, but also a criterion for the progressiveness of socio-economic transformations in society.

Man and his abilities have traditionally played a leading role in social reproduction. However, the intensification of the processes of intellectualization and Informatization of economic relations has led to qualitative changes in the content of knowledge, skills and processes of their implementation.

At the end of XX - beginning of XXI centuries there is the need for further development of ideas about human resources, have undergone qualitative changes under the influence of the processes of intellectualization, the role of the state in regulating the sphere of education, aimed at creating prerequisites for the development of human capacities as a key factor of formation of competitive advantages of national economy in whole and its constituent territorial entities.

The study determined that in order to ensure the quality of human capital and its effective use, the state needs to develop measures that promote the development of competitiveness of human capital, promote employment of graduates of educational institutions and ensure joint work of Universities and enterprises while training specialists in accordance with the real requirements of the labor market in the country.

1. Introduction

Many representatives of economic thought turned to the definition of the place and role of man in the world of Economics. Man and the development of his potential were considered for a long time as a means to achieve the ultimate goal - "the production of wealth", and the leading economists of the XVII-XIX centuries considered man as the main factor of production and efficiency of the national economy (W. Petty, A. Smith, D Ricardo, K. Marx, F. Engels, etc.).

Since the middle of the XX century, most economists began to argue that man and his development is not only a means of production of goods and services, but also the most important goal of social progress (A. Lewis, A. Sen, A. Marshall, etc.). Problems of formation, effective use and reproduction of the human factor as a key element of social progress, economic aspects of comprehensive development of personality - were the subject of research in the Soviet economic literature, especially in the last decades of the XX century.
Research on the concept of human capital began in the late 50s and early 60s of the XX century in the works of Nobel Prize laureates G. Becker and T. Schultz. In Western economic literature, the problem of the human factor was considered mainly through the prism of the category of "human capital". Main ideas of the theory of human capital are reflected in the works of foreign authors – Y. Ben-Porat, M. Blaug, W. Bowen, E. Jenison, R. Layard, E. Lazer, J. Mintzer, George. Psacharopoulos, S. Rosen, F. Welch, B. Chiswick, etc.

The post-industrial trends of the modern world, represented by the increasing role of knowledge, information and services to ensure economic development, the impact of qualitative changes on the formation of personality, the value system of modern man and the process of labor were analyzed in detail as foreign (D. Bell, R. Darendorff, P. Draker, J. K. Galbraith, R. Inglegarth, F. Mahlup, J. Masuda, M. Porat, T. Sakaya, T. Stonier, E. Toffler, A. Etzioni, etc.), and Russian scientists (V. S. Avtonomov, O. N. Antipina, V. L. Inozemtsev, etc.).

However, a number of issues related to capacity development of the human factor in modern conditions, remain insufficiently examined: the identification of the causes affecting the quality of the human factor, the study of prospects of its development, elaboration of measures contributing to improved utilization of the human factor.

The aim of the study is to determine the place and role of the human factor in the conditions of the transforming Russia’s economy as well as to develop directions for improving the management system through the formation and development of the creative potential of the human factor at the state level.

2. Methods
A comprehensive analysis of the processes of formation and development of the potential of the human factor has determined the multidimensional nature of the tools of this study, the need to use a number of specific methods and techniques that complement each other and allow to fully solve the scientific problems, namely: methods of system, statistical, comparative historical and logical analysis, expert assessments, as well as the laws and principles of dialectics.

The theoretical basis of the research was made up of fundamental concepts presented in classical and modern works of domestic and foreign scientists, materials of scientific conferences, symposia, legislative and regulatory acts of the Russian Federation, etc. Theoretical basis for solving the tasks set in the work were, first of all, neoclassical and neo-institutional theories.

3. Results and Discussion
In the Russian Federation, the development of the human factor, the formation and enhancement of its potential, the expansion of social and intellectual choice are impossible outside the dynamic development of the economy. "Human factor" is a complex socio-economic category that reflects the multifaceted manifestations of human resource in the system of social, psychological, economic, industrial, scientific, technical, organizational, managerial and other relations. Human resource is a set of creative, intellectual, labor, entrepreneurial abilities, as well as moral qualities, the use of which ensures the competitiveness and efficiency of an individual organization, as well as the economy as a whole [1].

The current state of the human factor can be assessed using quantitative and qualitative characteristics. In our opinion, it is expedient to include in the list of the main components of human capital:
- intellectual capital (educational, scientific, innovative);
- capital of training in production (qualification, competence, production skills and experience);
- health capital;
- enterprise capital;
- migration capital;
- other types (social, creative, etc.). [2]

In our paper we will analyze the statistical data characterizing the dynamics of its development in Russia, in comparison with foreign data.
According to the results of research by foreign scientists, the increase in human capital by 1% leads to an acceleration of GDP growth per capita by 1-3%. [2]

Due to the active development of human capital and the development of the knowledge economy, developed countries, which began their transition to a post-industrial economy in the second half of the XX century, nowadays occupy leading positions in the world rankings on the knowledge economy index, the human development index and, as a consequence, in the world rankings on competitiveness indices (table 1).

Table 1-Top 20 countries with the highest human development index, 2018 [3]

| Ranking | Country                | Human development index (HDI) | Life expectancy at birth (years) | Expected years of study (years) | Gross national income per capita (2011 PPP $) |
|---------|------------------------|------------------------------|---------------------------------|--------------------------------|---------------------------------------------|
| 1       | Norway                 | 0.95252201967582             | 82.328                          | 17.85206                      | 68012.49292                                 |
| 2       | Switzerland            | 0.94399757027812             | 83.473                          | 16.20882                      | 57625.06971                                 |
| 3       | Australia              | 0.93863128510657             | 83.068                          | 22.92125                      | 43560.05774                                 |
| 4       | Ireland                | 0.93841005899506             | 81.643                          | 19.61374                      | 53754.18626                                 |
| 5       | Germany                | 0.93604342015496             | 81.178                          | 16.95598                      | 46135.84754                                 |
| 6       | Iceland                | 0.93487925176182             | 82.912                          | 19.34788                      | 45810.19585                                 |
| 7       | Hong Kong, China (SAR) | 0.9325829144337              | 84.097                          | 16.32567                      | 58419.70992                                 |
| 8       | Sweden                 | 0.93280454926939             | 82.625                          | 17.63459695                   | 47765.65603                                 |
| 9       | Singapore              | 0.93204160643221             | 83.218                          | 16.2                          | 82503.12701                                 |
| 10      | Netherlands            | 0.93063859254565             | 82.005                          | 18.04483                      | 47899.76157                                 |
| 11      | Denmark                | 0.92947411111012             | 80.878                          | 19.06606                      | 47918.49167                                 |
| 12      | Canada                 | 0.92595239850072             | 82.541                          | 16.4379864                   | 43433.16672                                 |
| 13      | United States          | 0.92391358872462             | 79.541                          | 16.46821                      | 54941.10929                                 |
| 14      | United Kingdom         | 0.92154892233941             | 81.717                          | 17.4429                       | 39116.31163                                 |
| 15      | Finland                | 0.91965277545545             | 81.496                          | 17.6396565                   | 41002.27094                                 |
| 16      | New Zealand            | 0.91668762945436             | 82.038                          | 18.86506                      | 33969.73999                                 |
| 17      | Belgium                | 0.91606603684458             | 81.303                          | 19.7624                       | 42156.37247                                 |
| 18      | Liechtenstein          | 0.916082867992234            | 80.41                           | 14.72093                      | 97335.74963                                 |
| 19      | Japan                  | 0.9091529566478             | 83.908                          | 15.23277                      | 38986.15453                                 |
| 20      | Austria                | 0.9077551793932             | 81.77                           | 16.0812                       | 45415.10118                                 |

Russia with an index of 0.816 ranks 49th in this list and is among the countries with "very high human development" - that is, it is the first 58 countries in the ranking (or countries with an index above 0.8). The last 58th place in this ranking is occupied by Kazakhstan, Belarus is on the 53rd place.

Figure 1 presents graphically comparative data of the human development index of the Russian Federation in dynamics for 1990-2018. [3]

Countries with HDI 0.7-0.8 are countries with "high human development". This includes countries such as Iran, Turkey, Serbia and Georgia. There are also such countries as China-86th place with HDI 0.752 and Ukraine-88th place with index 0.751.

The countries with the worst HDI index are in Africa, Niger (189th) and the Central African Republic (188th) finished last with indices of 0.354 and 0.367 respectively.

According to the results of the ranking of the most innovative countries "Global innovation index" 2019, prepared jointly by Cornell University, INSEAD business school and the world intellectual property organization (WIPO) - the Russian Federation took the 46th place. We traditionally occupy a high place in terms of the development of science and human capital (23rd place) - thanks to the coverage of higher education (17th place), the number of teachers per student (15th), the number of graduates of scientific and engineering specialties (10th). In terms of business development, our country ranked 35th, including such points as the number of workers employed in the field of high-
tech services (18th), and employment of women with higher education (7th).

At the same time, according to such criteria as the development of technology and the knowledge economy, the Russian Federation took only 47th place.

Figure 1 – Russia’s HDI over the years

Figure 2 presents a comparison of the human development index of Russia with the global average.

Figure 2-Vector diagram of comparison of Russia’s indices with world average data [3]

In terms of the share of public spending on the social sphere, Russia is inferior to countries with a higher level of GDP per capita, and with a close to the Russian and even lower level. For example, Bulgaria and Latvia spend a large amount of money on the social sphere, despite the lower level of GDP per capita. These data call into question the truth of the government's claims that it is impossible to find additional resources to increase public funding for the social sphere. It is also obvious that Russia does not adhere to the principle typical for most countries - a higher share of public spending on social needs in GDP at a higher level of GDP. [4]

Ie should be mentioned, in spite the level of education in Russia is among the leading countries in the world, in recent years, the educational standards of domestic education are declining and do not
correspond to the global innovation trends that have developed at the present time.

Another problem is the underutilization and gradual degradation of human potential, namely, the low price of labour combined with distorted wage differentials that do not correspond to real differences in skill levels. [5]

Assessing the factors that affect the formation of human capital, we can conclude that the human capital of Russia by international standards, in terms of the quantitative component is one of the most significant in the world, but its qualitative characteristics do not correspond to the current trends of globalization, which significantly reduces its competitiveness.

With the current not very positive situation in the field of human development, the main role of the State is to become the force that is able to normalize the conditions of its development. But achieving this goal is impossible without reviewing the role and place of the State in society, its functions and mechanisms. [6]

To ensure the improvement of the quality of human capital and its use as a factor of socio-economic development in Russia, the following is necessary:

1) to improve the state policy in the field of human capital reproduction - improving the quality of human capital in the country should be the goal of the government, which requires the development of an appropriate program;
2) to monitor the condition of human potential in the regions and municipalities in the context of groups: health capital, education capital, mobility capital, etc.;
3) to develop sectoral employment assistance programs aimed at assessing the number of employees within industries, the needs of industries in workers, the implementation of measures for the organization of retraining of released personnel and their employment;
4) to improve the instruments and mechanisms of state policy in the social sphere. In this area, it is necessary to develop measures to strengthen the motivation of people to develop their own “human capital” and responsibility for its condition;
5) to support enterprises engaged in vocational training of redundant workers, the use of contractual forms of training, scope of training, retraining and advanced training on specific request of tenants with a guarantee of future employment;
6) to create conditions for preservation, increase and increase of efficiency of use of human capital of the state in all spheres of activity.

Also, the State needs to develop measures to promote the competitiveness of human capital, taking into account the experience of the leading countries of the world:
- introduction of new and qualitatively improved educational programs into existing educational standards;
- application of educational technologies based on modern achievements of science;
- introduction of active teaching methods, as well as educational and methodical materials corresponding to the international level;
- improving the quality of education through the development of modern quality management systems;
- integration of education, science and innovation;
- formation of graduates’ professional competencies that ensure their competitiveness in the labor market.

The State should also pay attention to the employment promotion of high school graduates who may have difficulties in finding employment in modern economic conditions. It is necessary to ensure the joint work of Universities and enterprises, and to train specialists in accordance with the real requirements of the labor market in the country with further employment for this position.

Human capital in the modern world is a fundamental factor of socio-economic, scientific and technological progress, the main driving force. Therefore, special attention should be paid to its development at the State, regional and micro levels. The development of human capital is a guarantee of high competitiveness of the national economy, industries and enterprises.
4. Conclusions
The modern stage of social development is characterized by a qualitative change in the role of man in the reproductive process. Today, the competitiveness of national economies is increasingly determined by factors such as the ability to innovate and perceive the latest technological advances. This ability is based on the state of the country's human potential. In these conditions, priority development of social sectors becomes an economic imperative, without which stable development is impossible and which provides advantages in international competition. [7]

In terms of the quality of human potential and the level of industrial culture, our country is comparable to developed rather than developing countries; in the latter, up to 60% of the employed are concentrated in the informal and traditional sectors of the economy. A significant advantage of Russia is the relatively high level of education of the population. At the same time, the sharp decline in social security of the population, the deterioration in the quality of employment and the current system of financing social sectors have a devastating impact on human potential and pose a threat to the national economy.

In Russian conditions, massive investments in the industry, ensuring a balanced reproduction of human potential and the development of social capital — is a key factor for creating a favorable investment climate.

Summing up it can be noted that a country with a large human resource, other things being equal, has a greater aggregate power. Of course, today this resource itself is determined not only and not so much by quantitative, but qualitative parameters. Further directions of the research can be the definition of institutional tools for the development of the creative potential of the human factor and the definition of ways to optimize public policy in the field of education.

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