The conditions of the balance of the national labor market in the process of institutional reform

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Abstract. The aspects of implementation of the processes of functioning and development of the national labor market in the context of manifestation of its internal complexity and multifunctionality are determined. The regularity of the growth of needs in the development of the institutional structure of the national labor market in the conditions of transformation and restructuring of the system of socio-economic relations is proved. The existence of a multiplicative effect of distribution, dissemination of new institutional practices implemented on the national labor market, institutional regulation of a wide range of economic operations, phenomena and processes has been established. The substantive essence of the process of building the institutional space of the national labor market is determined, which consists in institutionalizing (institutionalizing) the processes of socialization of socio-economic relations related to productive employment, in the context of which there is an increase in the significance and role of human resources in the processes of creation of economic goods, expanded social reproduction, etc.

1 Introduction

Large-scale institutional reforms in various spheres of Ukrainian economy are conducted in a context of constant acceleration of changes in the technological mode of production, which are determined by the expansion of the creative content of labor and the increase in the level of freedom of relations between workers and means of labor, which in turn leads to an increase of needs for updating the entire system of industrial relations. One of the most important areas of reforms aimed at satisfying these needs is the national labor market, the state of development trends, the balance of which depends on the achievement of efficient allocation and use of labor resources, support for productive employment and welfare of population, solving the key issues to ensure the stability of economic development.

2 Analysis of recent research and publications

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Different conditions, principles, and aspects of the implementation of institutional reforms in the national economy were considered in the works of many domestic and foreign economists such as Weingast B. [12], Vellis D. [12], Winter C. [11], Heyets V. [1], Gritsenko A. [2], Greenberg R. [3], Zhalko Y. [4], Zhukov L. [5], Kolesnichenko I. [6], Mazaraki A. [1], Nelson R. [11], North D. [12] etc. Problems and contradictions in the process of reforming the labor market in the conditions of market transformations of the national economy were studied by such researchers as Zvonar V. [7], Kurilo I. [7], Libanova E. [7], Lisogor L. [7], Makarova O. [7], Marchenko I. [8], Marshavin Yu [9], Pyshchulina O. [10] etc. However, the justification of a set of conditions for balancing the national labor market through institutional provision of its development on the basis of activation of reforming processes remains limited and requires further thorough research in this area.

3 Problem statement

The purpose of this study is to justify and develop a set of conditions for balancing the national labor market in the process of institutional reforms.

4 Research results

A comprehensive assessment of the principles of formation, state and current trends in the development of labor market as a component of national economy made it possible to distinguish the following key trends: deterioration of quality and stagnation of the process of development of human capital; deepening the imbalance between market demand and supply of labor; increasing the amount of hidden employment and increasing the scope of labor migration; reducing the size of real incomes of wage earners and correspondingly reducing the welfare of households; deterioration of the quality of life and safety of employees’ life, etc.

According to the results of in-depth analysis of the dynamics of indicators of the state of national labor market in Ukraine for 2013-2017 (Table 1), an integrated and systematic nature of the impact on labor market, transformational changes associated with the implementation of the processes of market reform of the national economy was established.

In particular, the deterioration of economic conditions in the context of a significant aggravation of social contradictions and the growth of manifestations of crisis phenomena naturally conditioned the stagnation of economic activity of population. For the period of 2013-2017, the number of economically active population of working age has decreased from 19399.7 people to 17193.2 people (by 11.4%).

The number of employed population during 2013-2017 decreased by 16.3% (from 19314.2 to 16156.4 people). Another negative consequence of the manifestation of crisis phenomena in the socio-economic development of Ukraine should be the spread of the use of various forms of temporary or hidden (shadow) employment. Confirmation of the scale of scope of hidden employment for the studied period should be considered as a fairly high level of the proportion of economically inactive population in the total population of working age (the variation of values of this indicator ranged from 71.5% to 72.9%), of which only less than half falls on the number the unemployed population, which was taken into account by relevant state authorities (from 7.8% to 9.7%). The number of unemployed people of working age increased during the period under study from 1510.3 to 1697.3 people, i.e. 12.4%.

Thus, the emergence and spread of problems of functioning and development of national labor market is a direct consequence of the deployment of complex processes of social reforms, without which it seems almost impossible to successfully overcome a wide
and varied range of crisis phenomena, which, in turn, is a reflection of not only the current
| Indicator                                                                 | Value of the indicator, over the years | Rate of change (%), over the years |
|--------------------------------------------------------------------------|----------------------------------------|-----------------------------------|
|                                                                          | 2013  | 2014  | 2015  | 2016  | 2017  | 2014/2013 | 2015/2014 | 2016/2015 | 2017/2016 |
| Economically active population (aged 15-70), thsd. persons               | 20824.6 | 19290.9 | 18097.9 | 17955.1 | 17854.4 | -4.3       | -9.2       | -0.8       | -0.6       |
| Economically active population of able-bodied age, thsd. persons         | 19399.7 | 19035.2 | 17396.0 | 17303.6 | 17193.2 | -1.9       | -8.6       | -0.5       | -0.6       |
| The employed population                                                  | 19314.2 | 18073.3 | 16443.2 | 16276.9 | 16156.4 | -6.4       | -9.0       | -1.0       | -0.7       |
| Economically inactive population, thsd. persons                          | 11270.1 | 12023.0 | 10925.5 | 10934.1 | 10945.0 | 6.7        | -9.1       | 0.1        | 0.1        |
| Unemployed population of able-bodied age, thousand persons, from which   | 1510.3 | 1847.1 | 1654.0 | 1677.5 | 1697.3 | 22.3       | -10.5      | 1.4        | 1.2        |
| looking for work, trying to organize their own business                  | 1537.2 | 1801.6 | 1617.4 | 1634.8 | 1662.5 | 17.2       | -10.2      | 1.1        | 1.7        |
| been employed during the year                                           | 541.9  | 494.4  | 444.7  | 409.0  | 398.6  | -8.8       | -10.1      | -8.0       | -2.5       |
| Labor force demand, thousand people, incl                               | 47.5   | 35.3   | 25.9   | 36     | 50.4   | -25.7      | -26.6      | 39.0       | 40.0       |
| skilled                                                                  | 41.3   | 30.3   | 23.2   | 31.8   | 43.9   | -26.6      | -23.4      | 37.1       | 38.1       |
| low-skilled                                                              | 6.2    | 5      | 2.7    | 4.2    | 6.5    | -19.4      | -46.0      | 55.6       | 54.8       |
| Load of registered unemployed at one vacant job (vacant post), persons / units | 10    | 14    | 19    | 11    | 7     | 40.0       | 35.7       | -42.1      | -36.4      |
complications in business of domestic enterprises, but also a reflection of the accumulated imbalances and disproportions accumulated in previous years in the national labor market.

Modern conditions of functioning and development of national economy are marked by the emergence of a large number of new features of the organization of labor, management relations, the emergence of new non-standard forms of employment, dictated by the comprehensive development of productive forces, in particular, information and communication technologies, changes in industrial relations, increased competition in the world markets in the context of tendencies of globalization and postindustrialization of society. The structure of the regular trends in the development of forms of employment and employment should include the following: new forms of command organization of labor; projected labor organization of workers, in which the erosion of clear job descriptions and functional duties of employees takes place; the movement of production and management toward the formation of a cluster-network model; in this connection there are changes in the style of personnel management in the direction of autonomy of labor; the emergence and growth of the proportion of the remote type and new non-standard forms of employment. The spread of such innovations significantly affects the development of national labor market and leads to new requirements regarding the functioning of its system of regulation, which requires a detailed study of features and content and interconnection of the conditions of balance of national labor market in the process of its institutional reforming.

Condition 1. The national labor market is an extremely important, fundamental element of economic mechanism of market economy, which is in a complex relationship with all other markets, interconnected with a wide range of production-economic operations and processes, which in the complex constitutes a productive activity of society.

Condition 2. The national labor market due to the extremely high degree of complexity of its internal construction, the variety of internal and external factors that form the trajectory of its transformations, multifunctionality, as well as existing ties and relationships with other social entities, is characterized by a complex of processes of functioning and development that, first and foremost is reflected in the following aspects. Firstly, the national labor market should function as a mechanism for balancing (between employees and employers) the supply and demand supply parameters as the object of market exchange, a result of realization of which –the certain human potential (human capital, labor resources, labor potential, etc.) becomes a productive work, which, in combination with means of labor, creates a new value in the form of useful goods. Secondly, the national labor market should act as an important element of the system of production relations, influencing, at the same time, the techno-economic (the way of organizing the production forces, the state of development of factors of production, etc.) and socio-economic (methods and forms of ownership of the means of production, the combination of labor and means of production, the order of the factors of production and the appropriation of the results of productive use of these factors, etc.) are the components of these relationships. Thirdly, the national labor market, as the primary source for the formation of certain types of relations between members of society regarding the establishment of conditions for their participation in the process of creating economic wealth, should be a mechanism for the unification of socio-economic roles, functions, models and strategies of human behavior in economic sphere should be the mechanism of their goals and interests, motives and incentives, the basis for the establishment of a system of criteria and norms for assessing the utility and costs of goods as a whole.

Condition 3. In the system of national economy, the labor market occupies a special place and plays an important role, and the processes taking place in this market have a powerful (albeit indirectly) influence on socio-economic development of the entire society. In the context of determining the nature and extent of this impact, two basic provisions should be noted. Firstly, the agreements on hiring of employees concluded in the national
labor market determine the size of a new value created in the process of productive employment, that is, directly determine the dynamics of changes in incomes and the welfare of the vast majority of households, which determines the volume and structure of domestic demand for goods and services, and, respectively, the pace of economic development of national economy. Secondly, the state's ability to fulfill a number of important social commitments to society is directly related to the economic conditions of productive employment of population (the cost of labor in the market). The need to ensure social protection of hired workers both in the process of productive employment and in the loss of them (for various reasons) of employment opportunities in the course of humanization and the socialization of industrial relations must become an integral part of the institutional framework for functioning and development of modern labor market.

Condition 4. The reform of national labor market on the basis of the development of mechanisms of institutional regulation primarily involves the development and improvement of the relevant institutional space within this market (a complex of institutional formations), adequate and appropriate to the requirements of adapting the system of industrial relations existing in society in the course of market transformation of national economy, to the conditions of the latest technological method of production, inherent in the modern stage of civilizational development. Such construction of the institutional space should consist of institutionalizing the processes of socialization of socio-economic relations connected with productive employment.

Condition 5. State support for the institutional reform of national labor market is to facilitate and participate in the creation and operation of a multi-agent information system for organizing the interaction and cooperation of labor market participants (a single, coherent, coordinated, open, self-regulated entity based on harmonizing and streamlining the balance of expectations and competitive -cooperative interaction of economic agents). The main element of such a system should be the mechanism of state regulation of institutional transformations of national labor market.

Condition 6. The mechanism of state regulation of institutional transformations of national labor market is an integrated complex of formal institutional norms and rules (a static aspect of institutional influence of the state) and institutional bodies and organizations (targeted activities to ensure the observance of formal institutions - the dynamic aspect of the institutional influence of the state). Functional filling of this mechanism is primarily connected with the implementation by the state, in the person of its authorized bodies and organizations of initiative, adaptation, distribution and control functions of institutional reforms.

Condition 7. The choice of the forms and methods of state incentives for institutional reforms in the national labor market must be based on the ordering of the institutional space of interaction of market participants using the architecture and infrastructure of information multiagent system that is focused on the search and selection, the intensive and effective use of innovations in the field of education (for example, the provision of continuous training and retraining) and the introduction of other forms of transitional measures to increase the human capital of the company.

Condition 8. Reform measures in the field of institutional transformation of national labor market must first of all take into account the state of socio-cultural norms, customs and traditions existing in society and be based on the influence (in relation to specific new institutional formations) to facilitate their adaptation to the changes of the corresponding institutional space and creation of a complex of mental norms and values, moral and ethical foundations of effective social and labor relations necessary for the formation of an institution of production relations, adequate to the requirements of the latest technological method of production.
5 Conclusion

The article describes a set of conditions for the balance of institutional reforms of national labor market, which is considered in the context of the manifestation of inherent complexity, multifunctionality, and also the diversity of its relations and relations with other social entities. The multidimensional implementation of the processes of functioning and development of national labor market must necessarily be taken into account when developing the system, mechanisms and tools for its regulation.

Institutional changes in the national labor market are characterized by the presence of a multiplicative effect of disseminating and popularizing new institutional formations to regulate a wide range of business operations, phenomena and processes that go well beyond the boundaries of this market. An important tool to overcome the problems, contradictions and limitations related to the need to adapt industrial relations to the requirements of the latest technological method of production is to improve the institutional basis of the relevant economic processes. Due to the importance of influence of this market on a complex system of socio-economic relations in society and through the manifestation of the multiple effect of the distribution of institutional practices described above, the success of such measures depends on the progressive institutional reform of national labor market.

Methodological aspects of choice of forms and methods of state incentives for institutional reforms in the national labor market require further research in the context of the implementation of the proposed set of conditions of balance.

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