The Role and Purpose of Personnel Policy Among the Social and Labor System within the Relations of an Organization

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Abstract. However, the low effectiveness of the procedures, which regulate socio-economic relations, such as underestimation of the importance of a problem such as the need for their restructuration lead to a necessity in increased attention throughout the economic entities of the real sector of the economy. The urgency of this research problem can be determined by the lack of development of the tools which in turn lead to the development and implementation of personnel policy, aimed at improving the socio-labor relations by making sure to provide sustainable employment inside the organization and effective regulation of the internal labor market. The article demonstrates that personnel policy is not only the main element of socio-labor relations but also a key part for personnel management decisions, since it predetermines the receipt of an overall positive synergetic effect. In this regard, it has been demonstrated that developing organizations which have based their policies on active innovation and strategic processes both internally and externally are characterized for using multiple personnel policies simultaneously resulting to distortions within the organization, which in turn negatively affect the performance of the organization as a whole. It is substantiated that personnel policy should not be regarded as an obligatory formal document, but more as a strategically significant decision for personnel management, which in turn could affect not only the destiny of the organization but also their balance of power among the competitive environment both positively or negatively depending on how correctly it was set.

1. Introduction

The creation of socio-labor relations in the Russian Federation is accompanied by serious changes amid the social relations, which is reflected in the changing pattern of labor relations and personnel policy of organizations.

Positive changes in the field of socio-labor relations come along with multiple side effects such as: the growth of socio-economic inequality, a sharp differentiation of the population by income levels, discrimination of social and labor rights of personnel, exacerbation of conflicts between the labor and capital of the Russian labor market, lack of qualified workers and engineering personnel, all of which do not foment economic growth.

Effective development of socio-labor relations of an organization is based on the coordination of the employment policy and regulation of the internal labor market as well as remuneration of work and training of both social and labor relations which are key components of personnel policy. More often than not, as shown by practice, leaders of organizations involve themselves formally with the development of personnel policy without taking into account the importance of this document as a
regulator of socio-labor relations and without realizing the destructive consequences of this formal involvement [16, 18].

Despite the evident dependence of socio-labor relations and their structure from the quality of personnel policy, there is a clear absence in mechanisms needed to integrate the formation and implementation of the policy at various strategic management levels of the organization, aimed at providing sustainable internal employment and effective regulation of the internal labor market by merging multiple components of personnel policy and transforming it into a new policy with evident benefits.

2. Problem statement
A significant role in understanding the concept and content of socio-labor relations was played by the scientific representatives of the classical school L. Smith, D. Ricardo, J.B. Say, and K. Marx.

Significant contribution to the development of socio-labor relations within the Russian economy was made by C.U. Barsukova, N. A. Bolgin, N. G. Gritsenko, B.M. Genkin, V.I. Gerchikov, V.E. Gimpelson, L.A. Gordon, T. I. Zaslavskaya, V. Kabalina, Y. Kokin, R.P. Kolosova, R. Kapelyushnikov, N. Kolesnikov, A. Kotliar, G.G. Melikyan, Y.G. Odegov, V. Radaev, B.D. Rakitskaya, L. Rzhansitsyna, V. Roik, G. Rudenko, G.E. Slezinger, I. Soboleba, T. Chetverina and others.

A significant contribution to the development of modern problems of personnel management and personnel policy was made by domestic scientists: V.N. Bobkov, N.A. Volgin, V.P. Galenko, V.A. Dyatlov, A.P. Egorshin, P.V. Zhuravlev, D.K. Zakharov, A.Ya. Kibanov, R.P. Kolosov, M.N. Kulapov, E.V. Maslov, V.I. Matiro, N.K. Mausov, B.Z. Milner, I.A. Nikitin, L.F. Nikulin, Yu.G. Odegov, A.S. Pankratov, B.C. Polovinko, N.F. Pushkarev, G.G. Rudenko, S.V. Shekshnya and others.

At the same time, with all the significance of these studies, there are still a number of unresolved theoretical and practical problems associated with the insufficient development of tools for the formation and implementation of a new type of personnel policy, which is determined as the key element of the social-labor relations system, integrated by the levels of organization management and ensuring the increment of business value due to: balanced internal employment; flexible planning of staffing needs; controlled motivation; regulation of total internal riskiness. The relevance of these issues and the practical significance in modern conditions of the functioning and development of organizations led to the choice of the topic, goals and objectives of the study.

3. Purpose of the study
The purpose of this study is to develop theoretical and methodological ideas and practical recommendations to help the formation and implementation of a personnel policy which could ensure an increase in effectiveness and performance within an organization.

4. Research methods
The methodological basis used for this study consists of scientific investigations made by both domestic and foreign scientists on the issues of enhancing the impact that personnel policy has on the overall performance of an organization, the procedures of formation and implementation of strategic personnel decisions, monographs, materials for scientific conferences, publications in periodicals as well as information from encyclopedic materials such as Internet resources and current legislative and regulatory documents of the Russian Federation.

5. Research results
During the current state of socio-economic development, socio-labor relations are by the far the main component and characterize the economic, legal and psychological aspects of the interrelations between people and their social groups during work processes. Due to this, social and labor relations are always subjective and reflect the combination of interest between the subjects of the relationship.
The most important issue in any organization existing in the current economy is the problem of survival and provision of sustainable and continuous development, which becomes the target activity. The contradictory nature of economic development is associated to the fact that on one hand, competition for the limited natural resources is increasing while on the other hand, the ever-growing needs and demand on the market affects the stability of the external environment of the business [20, 24].

The changes in demand and business conditions force production to react rapidly, which is reflected in the speed at which the technologies for exchanging information are updated. However, “the transience of technological changes, production and commercial processes creates a problem of socio-psychological tension among workers and managers of enterprises” [2, 17], which is a direct change in the socio-cultural environment - values and orientations as well as the attitude to the level and quality of life.

Under these circumstances, the importance of regulating and improving the socio-labor relations is constantly increasing due to the fact that they form the structure of the main socio-economic development which determines the way of life of the people and the structure of processes that are associated with it [1, 6].

“Socio-labor relations are the main element that form the basis for the entire system of social relations, thus becoming the “center” of socio-economic development” [10].

During the work process between individuals and social groups, there are many kinds of relations such as economic, psychological and legal relations. All of which are defined as socio-labor relations. Socio-labor relations are “a complex system of social relations with multiple levels between employees, employers and the state in the course of work, all of which are aimed at providing the necessary quality and level of life for a person, work group and society. This representation of the system allows us to identify the interrelation in structure between the social and economic elements” [3].

Due to the fact that socio-labor relations demonstrate the degree of correlation between the interests of the individuals in the relation, they have a significant effect on the results of economic activity. This relation can be creative, thus leading to fruitful work between the individuals. In that case, the socio-labor relation is clearly productive and is contributing to the success of the individual organization and society as a whole [14].

On the other hand, if the socio-labor relations are ruined due to the incompatibility of the economic interests of the individuals (whether it be employers, social groups, employees or organizations), they may lead to conflicts and thus become destructive and hinder the success of the organization as a whole [23, 26].

Socio-labor relations can significantly affect the development trends of crisis processes in personnel management in the organization, which irrevocably and immediately affects the final results of the operational system of the organization. At the same time, the effective development of socio-labor relations is built on the agreement of employment policies in the organization and regulation of the internal labor market as well as the social, financial, industrial and investment policies that allow the organization to maintain a competitive and stable position in their market, guaranteeing its economic longevity [4].

Managing the social and labor relations within a company is a necessity which ensures that the impact made by them is positive. However, due to the fact that socio-labor relations cover a wide array of problematic issues, the solution of which does not always correlate with the final results of the organization’s activities in practice and are not identified in the minds of the managers as strategically important, require specific and effective mechanisms that could provide an opportunity for the increase in efficiency of a business while explicitly showing the indisputable contribution of socio-labor relations in this. Nevertheless, it is important to take into account that elements of self-organization need to be implemented in this mechanism, elements that would motivate hard work of not only the employer, but also the employees to increase the desire to improve their socio-labor relations. First and foremost, it is crucial to turn to the personnel policy, as a central element, as the
subject of socio-labor relations, which consists of concentrated goals, tasks and content in organizations of the real sector of the economy. The remuneration, organization, efficiency and employment relationship should be defined in details inside the personnel policy. Also, the goals of the personnel policy have to be fully identified with the goals of the socio-labor relations and aimed at improving the efficiency of all activities within the organization [8, 19].

The study showed that the purpose and role of personnel policy in contemporary conditions increases significantly, particularly in connection with the need to implement the concept of import substitution, where the results of the organization’s activities depend more and more on the staff’s productivity [5, 13]. Therefore it is indispensable to lay down effective elements within the personnel policy that can constructively define the architecture, components and correlation in a system of socio-labor relations. From this point of view, personnel policy should be considered as sort of a law, a set of norms and regulations that the employer sets for hired personnel in the field of employment, organization and efficiency of work, remuneration for work and development of human resources and social programs [11].

Time clearly shows that the formation of a personnel policy is associated with analysis of a large of economic, social, legal and national factors and therefore is a far more complex and responsible task than it may initially seem. It has to take into account things like strategic aspects of personnel policy as well as justification for the economic efficiency of investment in personnel which are increasingly growing in importance. Forming the future of an organization is linked to the need of making personnel decisions in conditions of risk and uncertainty. Due to the fact that tracking and measuring the results compared to the expected results is rather difficult and obtaining these results over time is also not determined, it can be hard to accurately perceive and adequately assess the impact made by the new personnel policy [7, 21, 25].

There is a need to identify those areas and aspects in which the increasing role of personnel enhances the effectiveness of the organization, which could visibly define how it aids in creating a sustainable and competitive future for the organization. A 3-aspect model on the increasing role of personnel policy in the development of an organization shows the main directions of development for personnel policy and strengthen its importance: in terms of strategy (being the future of the organization), in line with the accounting of the intangible capital (the formation of the organization’s income); through the regulation of social and labor relations (being the internal sustainability of the organization’s development) [9] (see Error! Reference source not found.).

Figure 1. Prototype of the increasing role of personnel policy in the development of an organization.
Taking into account numerous and diverse factors, choosing among them the main factors and anticipating possible changes in their interaction is the most difficult task that arises in the process of developing and implementing strategic personnel decisions.

A very large influence in the justification of promising personnel decisions have strategic factors [9]:
- organization’s strategy (innovation strategy, strategy of minimizing costs, strategy of improving quality);
- life cycle of the organization (initial stage, growth, maturity, reorganization and alas fall of production)
- size of the organization (large, medium, small businesses);
- state of the work environment (resource endowment: scarcity or abundance, dynamic factors: mobile or stable and degree of complexity: simple or complex)

The factors that usually are classified as external factors include aspects such as: the level of economic development; economic and political stability in society; demographic situation; legislative and regulatory framework controlling labor relations; state of the external labor market; government employment policy; tax policy; inflation rate; migration policy; social partnership; education system; health care system; cultural traits and characteristics of the nation as a whole [15].

The internal factors related to the organization in itself are: its strength and weaknesses; the stage of development; legal form; organizational structure and culture; understanding and behavior towards the conduct of the organization; employment policy; quality of work life; socio-psychological climate; management style; complexity of all tasks; distribution of roles; team relation [12].

The factors that are characteristic of employees but which may be influenced by the organization include experience, knowledge, qualifications and motivation for adequate employment [11].

The interpretation of the factors which are needed for the accounting of the development of personnel policy shows an important integration moment, most importantly, the attitude of the individuals of socio-labor relations at the state level, from the position of the organization as well as the position of the employee. (see Error! Reference source not found.).

**Figure 2.** Classification of factors in personnel policy within a system of socio-labor relations.

The underestimation of the importance of attitude towards personnel and the necessity for a final decision among management decisions in the sphere of the organization’s development and business from the point of view of the labor economy and sociology in Russian practice, has proven that most industrial enterprises are deemed not competitive in addition to the fact that they are incapable of restoring their functionality.
Many problems result from the formal approach to personnel work from the stages of developing a personnel policy for the organization and considering it a certain attribute of modernity, instead of considering it a crucial strategic element of the socio-labor relations system.

6. Findings and conclusion
Socio-labor relationships can significantly affect the final results of any organization. However, since socio-labor relations cover a wide array of problematic issues, the solution which can be set in practice is not always correctly identified in the minds of managers as strategically important, yet their impact on the result of the organization’s activities is intangible. Therefore, a need has emerged in creating such mechanisms in the sphere of managing human resources which not only would provide an increase in efficiency among the organization but also would demonstrate the positive participation that socio-labor relations had in this success.

The study showed that this kind of mechanism is incorporated in personnel policy, since this is the key element and subject to social and labor relations in which goals, objectives and labor relations are most saturated. A personnel policy is not a formal document but a law or a set of rules and regulations that the employer establishes for hired personnel. During the formation of the personnel policy, it is important to lay down elements of self-organization, motivation for the desire of both the employer and employees to develop social and labor relations to obtain a new quality of personnel policy from the emerging ideas.

Thus the study reveals that the mechanism of influence for socio-labor relations on the results of an organization is undeniable and requires constant development of the personnel policy, since it is the most crucial element of strategic personnel management decisions and works as an integrator for interaction within the organization.

Thanks to effective interaction, a synergistic effect is created which gradually increases the efficiency of all the organization’s activities as a whole.

7. References
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