The process of staff motivation under the conditions of intellectualization of enterprise activity

KATERYNA S. KHAVROVA¹*, NATALYA V. LOKHMAN¹, VIKTORIIA S. KOVERZA¹ and NATALIA V. PASICHNYK²

The purpose of this research was to develop an algorithm for the process of employee engagement in the context of intellectualization of activities, which requires the balance of motives and the needs of staff and employers. In the process of preparation of this study, the following methods of scientific research were applied as a system approach, comparison, grouping, detailing, generalization, visualization, literary search, and others like that. The theoretical and methodological basis of the study was the results of fundamental and applied researches of Ukrainian and foreign scientists and specialists in the field of personnel motivation and intellectualization of activities. Given the need for intellectualization of activities in any enterprise as a way of further development, the process of motivating staff can be recognized as the main, since it is of paramount importance in comparison with others. In the process of carrying out this research, an algorithm for motivating personnel was developed in the course of intellectualization of the company’s activities, which shows that the intellectualization of the enterprise’s activities is based on the need to balance motives and meets the needs of the personnel and the employer. Implementing the algorithm of staff motivation in the context of intellectualization of activities, the manager will be able to significantly expand his opportunities in attracting a competent employee today to perform tasks aimed at the innovative development of the enterprise.

Keywords: intellectualization, staff motivation, staff needs, information policy, innovative development, innovative potential

¹Department of Economics and Business, Donetsk National University of Economics and Trade named after Mikhail Tugan-Baranovsky, 50005, 16 Tramvayna Str., Kryvyi Rih, Ukraine
²Department of Economics, Organization and Enterprise Management, Kryvyi Rih National University, 50027, 11 Vitaliy Matusевич Str., Kryvyi Rih, Ukraine
*Corresponding author
INTRODUCTION

Rapid globalization, protracted crisis lead to a dynamic change in the activities of enterprises. The current conditions of the enterprises’ functioning precondition the necessity of their activity intellectualization, which is expressed in the fact that the intellectual and high-tech product is increasingly the main economic product while managers (owners) and employees become intellectuals. Particular attention to the problem of intellectualization of the enterprise attracts the improvement of the process of staff motivation (Seitova et al. 2018).

Intellectualization of the enterprise directly depends on the ability of the head (owner) of the enterprise to provide innovative development – on the one hand, and the motives of the personnel themselves to realize the innovative potential in favor of such enterprise development – on the other hand (Amirova et al. 2016, Savchuk 2017). Therefore, in the basis of intellectualization of the enterprise activities, the needs and motives of the two parties must be balanced: for the head (owner) – the formation of the motives of the personnel under the conditions of activity intellectualization for the purpose of its realization to meet the needs of the innovative development of the enterprise. For an employee, as a carrier of intellectualization, it is the satisfaction of their own needs (both material and moral) from the realization of intellectualization in favor of the innovative development of the enterprise, which is possible only under the condition of the formed motives for the development of innovative potential (Abramova et al. 2018, Bortnikas 2017). Intellectualization of the enterprise’s activity is based on the desire to achieve the goals, and this requires coordinated work, the cooperation of the head (owner) and ordinary staff, which is achieved through effective motivation of the staff. It is the intellectualization of activities that is responsible for ensuring that the work of the staff is as effective as possible for the enterprise. At the same time, the main tool for this is the motivation of the staff. Thus, the process of staff motivation under the conditions of intellectualization of the enterprise activity can be recognized as the basis and the basic prerequisite for ensuring its innovative development (Silagadze 2017, Sahoo & Srivastava 2017, Kaldybayeva et al. 2018).

A significant contribution to the research of various methods and means of enterprise staff motivation was made by such scientists as D. Vrum (Musagitova 2018), A. Maslow (2016), K. Marx (2014), A. Marshall (2010), A. Smith (2016), M. Tugan-Baranovskii (2015), A. Kolot, A.C. Vikhanskii and O.I. Naumov (1996), V.M. Grinova and H.I. Pisarevska (2012), V.M. Daniuk and V.M. Petyukh (2009). In recent years, it has been proved that in order to solve practical problems of innovative development of enterprises it is necessary to form the conceptual foundations of management intellectualization activities there which have been laid in the writings of A.I. Volkov, V.A. Vasylenko (2019), M.P. Denysenko (2010), S.M. Illiashenko (2003), J. Shumpeter (2007), P. Drucker (2006), S.Ya. Kisia (2016), G.A. Shvydanenko (2014). However, in today’s market conditions, many domestic enterprises do not adequately address the issue of effective staff motivation which involves the development, formation and practical application of the process of intellectualization of activities.
The process of staff motivation under the conditions of intellectualization

It should be noted that while studying the role of staff motivation in the process of intellectualization of enterprises’ activities, attention is paid to a certain scientific problem characterized by the emergence of contradictions in the following field of scientific knowledge: the issue of differences in the motivation process of the staff performing “standard” mechanical work that needs to apply innovative approaches, and the staff whose characteristic feature is the intellectualization of the enterprise (Barbakov et al. 2018). The discovery of this contradiction in the course of the conducted research preconditions the urgency of solving the problem of developing the process of staff motivation in order to use it in practice by the heads of enterprises within the framework of intellectualization of activities, which purpose is to ensure the continuous development on an innovative basis (Stačinskaite & Petrauskienė 2018). The purpose of this article is to develop an algorithm for the process of staff motivation under the conditions of intellectualization of activity, in which the necessity to balance motives and to meet the needs of the employees and employers is laid (Kostruba 2018, Akhmetshin et al. 2018a, Akhmetshin et al. 2018b, Akhmetshin et al. 2018c, Pashtetsky et al. 2018).

CONCEPT OF INTELLECTUALIZATION AND STAFF MOTIVATION

Considering the necessity to intellectualize the activities of any enterprise as a way for further development, this process can be considered as the main (dominant) because it is of paramount importance in comparison with any other. Therefore, in our case, in order to intellectualize the enterprises, taking into account the prevailing hypothesis (enterprise management through staff management), it is necessary to select for each of them the motives for forming the intellectual potential of the personnel. In this context, attention is drawn to the results of researches conducted by individual economists who are looking for ways to develop enterprises based on the intellectualization of activities with the definition of certain dominant. Thus, in the researches of S.Ya. Kis it is stated that “... intellectualization of enterprise activity is a set of prerequisites related to the formation of factors of making direct or indirect influence on the growth of the share of intelligence in the processes and procedures of development of the management subject” (Kis 2016), where “the process of personnel management creates the preconditions for its intellectualized activity” (Kis 2016), which can be recognized as the dominant positions. Therefore, we believe that a clear identification of the concepts of “intellectualization” and “staff motivation” should become clear on the path to scientific substantiation of such dependence. Intellectualization is the penetration of intellectualism into people’s lives, saturation with its mental activity (Dictionary of the Ukrainian language… 1973).

In the study conducted by Shvydanenko (2014) intellectualization changes the paradigm of enterprise development, namely, highlights human resources, elements of which are knowledge, skills, moral values of staff, culture of work etc. Human resources are a priority, since the transition from the industrial to the post-industrial economic order, which takes place in the most developed countries, primarily means changing the role of the human factor in modern production (Shvydanenko 2014). Based on the above concepts one can conclude that only thanks to people,
human resources, namely, the motivated staff being able to address the problems of enterprise development, it is possible to ensure the intellectualization of its activities on an innovative basis. Coming to reaching the purpose of the research special attention is drawn to the works of scientists-economists, for whom the object of research is the motivation of the enterprise’s staff. So, according to O.S. Vikhanskii and O.I. Naumov (1996), V.M. Daniuk and V.M. Petyukh (2009) staff motivation is a set of internal and external driving forces that motivate a person to work, determine their behavior, forms of activities that provide this activity with orientation, directed to meet the needs and achieve personal goals and goals of the organization; a set of all motives influencing human behavior. Grinova and Pisarevska (2012) emphasized that staff motivation is “the main means of ensuring the optimal use of resources, mobilizing the available human resources”.

The authors of the monograph (edited by O.I. Amosha), under the staff, understand “the complex process, which includes both the subjective and objective components, defines the type of labor behavior of people, aimed at realizing their basic needs, their motivation to achieve personal goals and goals of the organization” (Amosha et al. 2007). From given definitions of the notion “staff motivation”, one can distinguish a common feature that reveals its essence, namely, the necessity to satisfy the needs of staff in the process. Consequently, it is possible to recognize this quality as the primary basis for developing an algorithm for motivation process for enterprise staff.

There are different approaches to understanding the motivation of staff as a process: one approach is based on the necessity to meet the needs (material, moral or social) of the staff, and the other – on the degree of influence on the consciousness of the employee, that is, on the management of the process itself. Such contradictions arise as a result of substitution of methods of staff management with the methods of motivation of the personnel. The main objective of the personnel motivation process is to maximize the return on the use of existing employees’ capabilities, which can increase the overall performance and profitability of the enterprise. In addition, the most important feature of staff management at the present stage is the growing role of the employee’s personality. Thanks to its professionalism, which is expressed in knowledge, skills, ability to motivate oneself, there is a greater probability of innovative development of the enterprise under the conditions of intellectualization of activity (Mukhamadiyeva et al. 2017, Buribayev & Khamzina 2019).

Based on the above definitions, we can conclude that the intellectualization of activity is an instrument for influencing the employee’s behavior to form their motives, which, in turn, are designed to meet the needs (both material and nonmaterial). These needs are formed on the basis of the employee’s consciousness – their aspirations and the desire to perform a certain type of work, to achieve certain results in the process of their work and to obtain a result from it which, in fact, allows you to meet the needs. On this basis, it is necessary to distinguish between the needs arising in the process of intellectual (mental) work, due to which the company is developing on an innovative basis, and simple labor (mechanical). Actually, there is a certain difference that influences the motivation of the staff
The process of staff motivation under the conditions of intellectualization

engaged in intellectual as well as innovative, and other work, as in each of these types of work different methods must prevail (Kokorev 2019).

Thus, the basis of the formation of these needs, along with the material factor, is formed by the nonmaterial factor, which determines the inclination and desire of the company’s staff to develop through the acquisition of new knowledge and advanced training. The basis for realization of these needs is the commonality of interests of the employer of the enterprise – the subject of management, as well as of the enterprise staff (the object of management) under the conditions of intellectualization of the enterprise activity. Thus, the emergence of motives for such implementation is a guarantee of intellectualization of activities on the basis of balancing interests and needs between the subject and the object of the enterprise management. As you know, in order to improve the qualification level and form the necessary potential, it is necessary to invest in the accumulation of knowledge and skills. By investing in the staff, a necessary level of their qualifications is formed, which is, in essence, a degree of mastering a particular profession or specialty, the level of mastering the theoretical and practical knowledge and skills, through which the enterprise has the ability to intellectualize its activities.

On the basis of the fact that the management of the enterprise is carried out through staff management, and taking into account the above approaches to the essence of the categories “personnel motivation” and “intellectualization”, the innovative development of the enterprise is not possible if its staff is not motivated to intellectualize the activities. If we consider the intellectualization of the activity as the result of the innovation development of the enterprise, then the basis of the motivation for such activity is the satisfaction of the needs of employees prior to its implementation – on the one hand, and satisfaction of the needs of the head (owner) of the enterprise – on the other hand. Therefore, intellectualization of enterprise activity is possible only if:

• the needs for the intellectualization of the activities of the employee and employer of the enterprise are balanced on the basis of compliance with the level of satisfaction of the material needs of the employee and the financial result obtained by the enterprise;

• there is motivation to form and implement innovative potential of the staff in accordance with the development of enterprise intellectual activity;

• the conditions for the staff are provided by the employer of the enterprise to meet their own development needs on the basis of advanced training and obtaining new knowledge (investing in human capital);

• the methods of motivation of personnel comply with intellectualization of the enterprise activity based on the development of its innovative potential, on the problems of priority importance for their solution;

• there is an expedient increase in intellectual potential of the staff, proceeding from the necessity, caused by the interests of innovative development of the enterprise
The purpose of creating and implementing the process of staff motivation in the enterprise is not only to ensure the achievement of the enterprise’s goals by attracting and retaining highly qualified staff, but also, first of all, efficient use of creative and professional potential of the employee through efficient and effective motivation under the conditions of intellectualization of the enterprise activity (Bocheliuk et al. 2019). Stipulated prerequisites to form the motives for intellectualization of the enterprise activity allow us to develop an algorithm for ensuring this process (Figure 1).

**MAIN GROUPS OF STAFF NEEDS**

Based on the developed algorithm, it becomes obvious that there is a necessity to balance the motives and meet the needs of the staff and the employer in the basis of intellectualization of the enterprise. At the same time, in order to meet the employer’s demands for the continuous development of the enterprise, they must satisfy the motives of the staff for their development by investing in human capital, which will allow the latter to improve the qualification and educational level, and thus to provide development for the formation and implementation of innovative potential. Only under such conditions it is possible to achieve the goal of innovative development of an enterprise under the conditions of intellectualization of activity. Thus, we can draw the main conclusion that in the basis of staff motivation to the innovative development of the enterprise there is the satisfaction of needs, the formation and balancing of motives to the development of its own staff and the continuous development of the enterprise in the person of its head (owner).
The process of staff motivation under the conditions of intellectualization

Scientists-economists identify the following groups of demands that should be satisfied for the innovative development of the enterprise:

- *material* that allow the staff that has motives for innovative work to form and realize their own innovative potential through advanced training and educational level, obtain the desired level of income from this work, the result of which allows the manager (owner) of the enterprise to meet the needs for ensuring continuous innovative development (Vashchenko 2015);

- *moral* that allow the staff that has motives for innovative work to develop the needs for the formation and realization of their own innovative potential, professional development and educational level by creating a favorable psychological atmosphere by the head (owner) of the enterprise in the labor collective and the humanization of the work of subordinates with the use of various incentives of non-material order (Vashchenko 2015);

- *social* that allow the staff that has motives for innovative work to be socialized in the labor collective and society due to the positive result obtained from the implementation of the existing innovative potential, which simultaneously satisfies the needs of the head (owner) of the enterprise in ensuring continuous innovative development and achievement of the goals of the strategic development dominants of both material and social order (Vashchenko 2015).

Therefore, in agreement with aforementioned, in terms of meeting the needs of the staff and the employer of the enterprise, it is necessary to allocate three main groups of methods of staff motivation under the conditions of intellectualization of the activity to the innovative development of the enterprise – material, moral, and social, which contain certain processes aimed at the development of staff motivation.

**DEVELOPMENT OF STAFF INNOVATIVE POTENTIAL**

In this context, it is worth making a point that in order to ensure the process of staff motivation under the conditions of activity intellectualization the main purpose of the enterprise information policy should regard the tools and rules that will allow the staff of an enterprise to assess the importance of the information entrusted to them as well as use it skillfully in favour of the enterprise (Sapfirova et al. 2019). Therefore, the development of the staff potential as well as the development of the skills and knowledge at the expense of effective and free access to information – this is the main strategy of the information policy of the company in terms of activity intellectualization. At the same time, the risk of harming the company’s core business should remain minimal, and the information policy should be considered as a community between the employer and the company’s staff. Its presence contributes to the continuous process of development of the enterprise, the disclosure of the staff potential, the creation of a synergistic effect from the totality of innovative potential of the employees (Swaroop & Dixit 2018, Knezovic & Musrati, Widodo 2018; Ramkumar & Rajini 2018a, 2018b).

To a greater or lesser extent, the innovation potential must be owned by all employees of enterprises, however, the significance of the components of innovative potential should be divided into categories of employees. Formation and
implementation of the staff innovative potential determines the ability of employees to form, generate, develop and use knowledge in the innovative development of the enterprise. Worthy of paying attention to is the work (Khadasevich 2008), where the author identifies such components of the staff innovative potential: natural, personal, labor, intellectual, creative, and entrepreneurial. We agree with this approach (Turilo & Adamenko 2013) and distinguish communicative, natural, intellectual, entrepreneurial, and motivational. Employees are not focused on criticism of disadvantages, but on the proposal of the ideas that eliminate these disadvantages (Kapitonov et al. 2018, Aleksandrova et al. 2018). Formation and realization of staff innovative potential as an element of intellectualization of the enterprise activity in the process of motivation requires the presence of the initiating and steering force, which should become an efficiently functioning system of staff development. It is the intellectualization of the enterprise’s activity that allows us to create flexibility and adaptability of the staff and create conditions to implement key competencies of the enterprise. At the same time, the formation and implementation of the staff innovative potential are preconditioned with the ability and willingness of the enterprise itself to form and effectively use the innovative potential of each employee.

Consequently, the process of staff motivation under the conditions of intellectualization of the enterprise activity plays a crucial role in the structure of the enterprise itself. It permeates all the spheres of organizational interactions, that is to say, the circulatory system of the enterprise, which allows all other organs to function normally, eliminating the contradictions between social and individual needs of an enterprise, it performs such significant functions in the enterprise’s activities as integrational, educational and adaptational. Implementing the algorithm of the process of staff motivation under the conditions of intellectualization of the activities, the head will be able to significantly expand their capabilities in attracting a competent employee today to perform tasks aimed at the innovative development of the enterprise.

CONCLUSION

To summarize the conducted researches:

•1. It was found out that the use of staff motivation process in the context of intellectualization of the activity is an effective tool of the innovative development of the enterprise. Gradually, an employee is being identified with the company that creates an efficient and highly productive labour collective and helps increase the company’s competitiveness and survival in difficult socio-economic conditions.

•2. The algorithm of the process of staff motivation under the conditions of intellectualization of the enterprise activity has been offered, the main idea of which is to activate balancing of motives and meeting the needs of the employees and the employer, bringing them to one level of innovation, thus creating and developing the innovative potential of the staff and innovative development of the enterprise.

•3. The crucial role of the information policy of the enterprise as the basis of the process of staff motivation under the conditions of intellectualization of activity, resource for achievement of goals, subject of management work has been proved.
The open information policy allows you to unite the collective, to discover the explicit and hidden capabilities of each staff member and to direct this entire huge innovative potential to achieve not only the current tasks, but also the perspective needs of the enterprise.

**LITERATURE CITED**


