

FEATURES OF STAFF MOTIVATION IN EU COUNTRIES

Iryna Ignatieva,

Doctor of Economic Sciences, Professor,

Alina Serbenivska,

Candidate of Economic Sciences,

National University of “Kyiv-Mohyla Academy”

Annotation. *The article is dedicated to researches of changes features which requires motivational strategies in business. Researches of the N.How's and V.Straus' theory, about changes of system of values in different generations, allows us to put forward a thesis about necessity of searching for new stimulus for new generations. Researches are based on studying social strategies in EU countries. There are was carried out an analysis of practical experience in personnel recruitment and specifics of young people employment. There are fixed a situation when people who work in companies not more than 6 months because aren't ready to confront with real business problems, on the other hand – entrepreneur-businessmen can't provide profitability of their companies because they are lacking of motivated staff. In fact, the majority of business representatives says that formula “vacancy=experience + competencies” is not working anymore and participants of business-space are forced to search new resultative ways of staff management. Carried out research was based on usage of: comprehensive and generalization methods – for specification and formulating of personnel motivation concept; abstraction of abstractly-logical methods – to establish the components of influence on personnel motivation, correlative-regressive analysis – to determine the tightness and direction of the relationship between factors.*

Key words: *Personnel motivation, stimulus, values, employment, motivational strategy.*

Introduction and setting of the problem. There are different views on company success key factors. One scientists emphasize it is innovativeness, other it's dependence of leadership potential, but the key of these searches is a human – who stands both subject and object of the process. Staff of the company can be considered as a carrier of culture and knowledge of organization or as a group of people with some competencies and connected with some relations. But except of all listed, staff can be and need to be considered as the key resource of the company. In current not simple demographical and economical situation there are more attention paid to this resource. Managers of many companies think about improvement of the staff management processes and it's building as regular and regulated activities. One of the key and most problematic manager's functions in staff management is motivation. On the one hand it seems that in 20th century, scientists of humanistic motivation theory and their followers have solved everything. But situation analysis on Ukrainian labor market tells contrary. On 06.03.2019 there are published 54171 vacancies and 3 047 103 CV's on one of the most famous portals «rabota.ua». In average we can make a conclusion that for one vacancy there are 56 specialists [1]. These statistics can be interpreted the next way. Competitive situation on labor market – is a stimulus for specialist's certification training and can be

used as partial motivation by business representatives. But real situation in companies' management is different. Communication with business representatives proves that there are certain "famine" for motivated workers that not only have some competencies but ready to be responsible. There are many candidates on different vacancies today on labor market, that are not ready to take on responsibility for their activities, and continuing politics of infantile behavior which is acquired in the primary affair.

So both business representatives and educators which provide certain competencies of the staff are fixing situation when people work in companies not more than 6 months because aren't ready to confront with real business problems, on the other hand – entrepreneur-businessmen can't provide profitability of their companies because they are lacking of motivated staff. So simple formula "vacancy=experience + competencies" no more works and participants of business-space are forced to search new resultative ways of staff management.

Analysis of the newest researches and publications. Problem of personnel motivation have historical nature. The roots of motivation theories are in ancient philosophy works of Platon and Aristoteles [2, c. 370-407, c. 407-465]. Greek philosophers had seen "hedonism" in the core of motivation — desire to enjoy and evade suffering, desire of the best. Motivation in epoch of Renaissance was considered from another angle. M. Kusanskyi, one of the biggest European philosophers of XV c., father of Italian natural philosophy, whose philosophical thought promoted the transition from religion philosophy of middle age to renaissance philosophy, he transferred accent from religion basis of motivation on motivation which is based on rational aims of people. [3]. In the later centuries phenomena of motivational activity of people was interpreted in another way. The philosophy of rationalism sees human essence in his thinking which covers all other functions of soul. In a big row of philosophical theories human is put in dependence of nature pattern. Individual Motivational processes are considered only as adaptational processes but at the same time not conscious adaptation, but that which has spontaneous evolutionary-biological nature. [4]. Theories made by representatives of humanistic approach in psychology were the most spread and practically used. A. Maslow succeeded in unification in one model all approaches of basic psychology schools – behaviorism, psychoanalysis, humanistic and transpersonal psychology. This way A. Maslow indicated that none of the approaches can be considered as the best or more valuable than other, instead of that, every of them are useful and has its own place. [5, p. 77-105]. Among Ukrainians special attention to research of problems of stimulation and working motivation was given by such scientists as F. HmII, M. KIItna, L. Kicha, A. Kolot, O. KornIyuk, V. KoryagIna, V. Laznenko. [6,7].

Unsolved parts of the problem. Still unsolved is the problem of practical approximation of motivational theory realization in personnel management, to pan-Europe humanistic values.

Purpose and objectives of the article. The purpose of the article is detecting in classic and modern treatment of the theory about motivation of uncounted sources of work efficiency increase with taking into account modern euro-integration theories.

Main results of the research. In many books of general management and staff management, stimulus is considered as main element of motivation realization. So in science

literature there are emphasized 4 forms of stimulus: – compulsory measures, as reprimand, transfer to another post, delay of vacation, firing from a job; –material encouragement – stimulus in material form: salary, reward for results, premium from profit, compensations, etc.; moral encouragement – gratitudes, diplomas of honor, boards of honor, honorable titles; self-affirmation, inner driving forces of a human, which push him for achievement some aims without direct external reward [6, 7]. There are some authors which think that with the aim of strengthening of material and moral interests in professional studies, while developing and improving the mechanisms of stimulating employers and employees it is advisable to take into account experience of countries with developed economics in this sphere [8, p. 140-143]. But the first is to analyze situation which is developed in EU countries. The results of researches which are reported on international forums [9, p.153-157], are proving anxiety and problem about situation of stimulating young people and their behavior in society. High standards of living, encouragement from a family and social politics of the country allows young people not to worry about their future and as the main not to think how to employ and where to live. The average age of European graduate is 27 years. It is need to be meant that 15 years ago situation in Ukraine was the same. But it is worth paying attention that in Ukraine was implemented form of correspondence education, where as a rule were studying citizens with a job, and that education was considered as an opportunity of qualification rising. Today in Ukraine is prevailing daily form of education, and that means that the age of graduates approached to 23-24 years. In EU by the report data of Britain Center of high education researching, there are 40% of students end their studies at the age of 20-24 years, 44% - from 25 to 29 years, and 16% end their studies after 30 years old [10]. On the one hand statistical situation demonstrates that young people now have more time to spend on actual formation and self-development. But as the practice says, this doesn't happen. Vice versa psychologists claim that current situation brakes the development of personality, and as the consequence – stops the development of countries economics. [11]. And in this context theses of Beatrice Korbo (Italy) are actual for reflection of current motivational process: “It is necessary to give young people opportunities of growth through the independent problem solving, to become adult, to prove who are you and what are you worth to, to realize own core-business and to make contribution in the development of society and mankind”. Methodology researches of stimulation which works in countries of EU allows us to make a consequence that the key moment in motivational strategy is high level of social security, privileges and compensations. The main directions of motivation and rights defense of employees are enshrined in the relevant laws and regulations (about minimal salary, vacation compensations of transport expenditures, social insurance, working conditions, etc.). Firm, institutions and organizations managers have the right to decline from them only in the direction of increasement of privileges and compensations. (Table . 1).

Typical for labor law in EU is paying compensations to fired workers. Amounts of compensations for illegal firing are constantly increasing. In fact we can say that there is in EU countries spreads strategy of “life hire”, because firing of inefficient worker is very costly for business.

Table 1

Duration of the warning term during a worker firing in EU countries [12]

Country	Term of warning	
	By the own wish	On the employer initiation
Great Britain	Not less than a 1 week	1-12 weeks (in dependence of the term of work)
France	From 1 week to 3 months (depending on a length of service, region, industry and special occasions)	1-2 month's (in dependence of the term of work)
Germany	In a 4 weeks till the middle (15th) or to the end of the month	1-7 month's (in dependence of the term of work)
Spain	1 month (minimal warning)	45 days salary for each year of work on the enterprise with maximum of 18 years (in dependence of the term of work)
Italy	Term is determined in the worker's contract	Monthly salary for each year of work on the enterprise
Sweden	1-3 month's (depended on experience)	1-6 month's (in dependence of the term of work)
Greece	From 2 months till 2 years of work. It is necessary to warn in a 1 month. From 2 months till 5 years of work. It is necessary to warn in a 2 month. From 5 till 10 years of work. It is necessary to warn in a 3 month. From 10 to 15 - 4 months. From 15 to 20 years - 5 month's, from 20 years of work, the warning in 6 months	Monthly salary for each year of work on the enterprise
Hungary	The term is determined by a worker's contract	1-12 month's monthly salary (in dependence of the term of work)

Table 2

The size of initial aid in the case of firing on employer's initiation in EU countries

Country	Size the payment
Great Britain	1-20 week salary (depending on working experience and worker's age)
France	For each year of work - 25% from salary
Germany	For each year of work 25% - 50% from salary (depending on sphere of work and working experience)
Spain	33 days salary for each year of work at certain enterprise with limited maximum of 24 months salary
Greece	Monthly salary for each year of work on certain enterprise
Italy	Monthly salary for each year of work on certain enterprise
Sweden	Regulated by collective agreement
Hungary	1-6 months salary (depending on worker's experience)

Table 3

Amount of the compensation for illegal firing in EU countries

Country	Amount of compensation
Great Britain	Simple compensation – 13-26 weeks salary. For firing because of gender or race, compensation is 26-52 weeks salary. For firing because of taking part in trade union activities, compensation is 156 weeks salary.
France	By agreement – 1-6 months salary, in judicial procedure – 6-10 months salary
Germany	For each year of work 25% - 50% from the salary (depending on the sphere of work and work experience)
Spain	33 days salary for each year of work on certain enterprise, with a limit of 24 months salary
Greece	3-6 months salary
Sweden	From 6 to 48 months salary (depending on the age and experience)
Hungary	12 months salary
Italy	Not less than 5 months salary, by agreement with employer. In case of refusal to comply with a court decision – 14 months salary (taking experience into account)

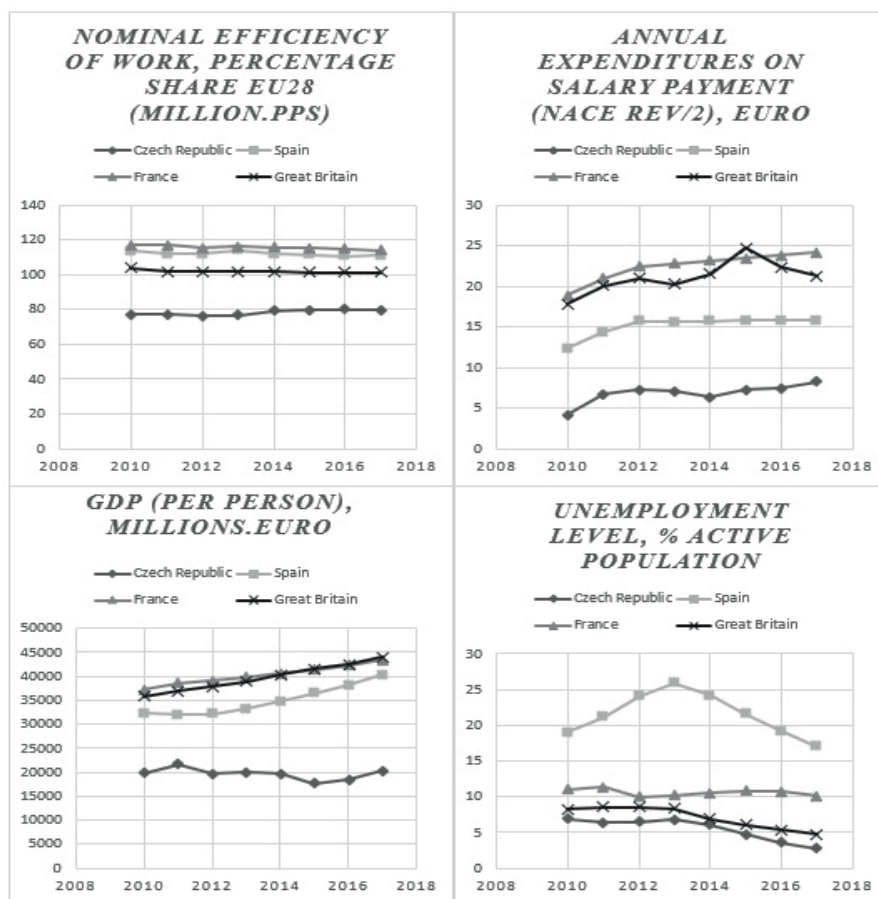
Table 4

Employees “generations” classification by theory of N. Houv I V. Shtraus

Generation	Value of orientation and stimuluses
«Silent generation» (1923-1945 pp.)	Devotion to the cause, adherence to rules, laws and order, respect for post and status, sacrifice, submission, honor, patience, economy, religiosity
Generation of «Boomer» - (1945-1965 – period of space exploration «thaw», «cold war»)	Idealism, optimism, image, youth, health, work, workaholism, team orientation, personal growth, personal rewards and status, involvement, distinctive characteristics, underlined gender appeal, nostalgia and religiosity
Generation «X» - MTV (1965-1984 – period of “perestroika”, spread of AIDS, drugs, war in Afghanistan)	Change, choice, global awareness, technical literacy, professionalism, individualism, survival, lifelong learning, informality, search for emotions and fear, pragmatism, self-confidence, unisex, equality
Generation «Y» - next millenium, generation of network (1984 – 2000 The end of USSR, spread of terroristic attacks, conflicts, digital technologies)	Changes, optimism, high level of communication, self-confidence, diversity, subordination, orientation to fast results, immediate reward, work as pleasure and entertainment, morals, achievement, naivety, professionalism in technology
Generation «Z» - (2003-2019). Kids or teenagers. Psychologists say that from “Z” many “indigo” children with equally developed left and right hemispheres.	Values are not defined. High speed of perception of information flows, innovative processes, infantilism, rapid results and changes, polyculture, globalization, fragmentary thinking, hyperactivity, blurring of geopolitical boundaries.

At the same time in EU countries is fixed situation with unemployment of young people – one of the most painful points of national politics. Consequences of economical crises stroke on input indicators of major countries of EU and affected livelihood of population. In times of financial crisis in the middle of public and political institutes attention, there are a problem of young people employment or rather its absence. In October 2018 in 28 EU countries were 3,446 millions of unemployed people, from which 2,503 millions were young (under 25 years). Herewith the lowest indexes of unemployment were observed in Czech Republic (5,2%), Germany (6,2%) and Netherlands (7,2%), and the highest were fixed in

Greece (36,8% August 2018th), Spain (34,9%) and Italy (32,5%) [13]. In fact we see inverse connection between level of social compensations and level of unemployment. The more social guarantees, the more level of unemployment and vice versa the more restrained social compensation payments the less level of unemployment. Actually, on this stage it is possible to determine limits of social guarantees which will work as a stimulus but not as anti-stimulus for employment and personal development. It is worth to pay attention on one more problem which is faced by modern business – heterogeneity of motivational methods for employees of different age. And here deserve attention researches made by representatives of American science N. Houv and V. Shtraus and their theory of generations. Main characteristics of modern generations and their specific needs and valuables are showed in the table 2 [14].



Pic. 1 Dynamics of macro-economic indexes for 2010-2017

For correlative calculations of motivational affluence on macro-levels we used indexes of 4 EU countries which belong to different economic zones. Indexes used for calculation were published on ec.europa.eu:

- GDP per capita (GDP per capita, euro./1 person.), 2010-2017 pp.;
- Annual expenditures on salary payment (NACE Rev. 2, €bpo.), 2010-2017 pp.;
- Unemployment level, % of active population (age class from 15 to 74 years; without gender affiliation; educational level: secondary and postgraduate education);
- Nominal efficiency of work (EU28, millions PPS). Indexes dynamics for 4 countries showed on the picture 1.

For researches of motivational affluence on GDP (per person) was built the matrix of mutual correlation between 4 indexes for selected countries table 5.

Table 5

Tightness, direction and significance of correlation connections between GDP per person for EU countries (Great Britain, Spain, France, Czech Republic) and motivational factors

Correlation of factors	Correlation coefficient	Statistical significance	Directions of connections	Tightness of connection by Chaddock's scale
GDP →NEW	0,847	0,001	direct	strong
GDP→AESP	0,955	0,001	direct	very strong
LU→NEW	-0,612	0,001	reverse	notable
AESP→NEW	0,793	0,001	direct	strong

In correlative analysis was discovered that there is very strong connection within factors. Indicator of GDP has strong connection with nominal efficiency of work (0,847) and very strong with annual expenditures on salary payment (0,995). It is due to increasement of GDP indicator (per person), on macro-level is a reason of working activity stimulation consequences. Considerable inverse connection is observed between level of unemployment and nominal efficiency of work (-0,612). As well, nominal efficiency of work is in direct connection with annual expenditures on salary payment (0,793). Individual values of employees in Europe are individual valuations of actuality or significance of that values which are proposed by employers for work. Such actuality can appear in 2 cases. When there are no any working places and also salary. Or when salary payment is unstable. Both factors are subjective, but under certain conditions they can be motivational factors to increase work efficiency. In the last time in EU countries was great increasement of indexes of innovational development and community informatization which made work easier. The work of about 5% of employees fully automatizes each year. Nonetheless in selected countries (pic.1), for about 5 years there are stable nominal efficiency of work. Moreover, level of unemployment is decreasing and salaries are increasing. So it is observed a tendency of decreasing of motivational factors and salary is loosing its value for workers.

For further modeling of situation about affecting of motivational factors on GDP (per person), there are used regression equation. It is taken into account that on GDP level affects not only mentioned factors but a number of other indexes. Construction of multiple regression equations was made using a program Statistic 22.

$$GDP=6669,379+63,066*NEW+1170,83*AESP -126,834*LU$$

Regression equation shows that unemployment level increasement will negatively affect on GDP.

There are observed direct connection between level of unemployment and level of social guarantees within selected countries. Indicator of GDP has strong connection with nominal efficiency of work (0,847) and very strong connection with annual expenditures on salary payment (0,995). It is due to increasement of GDP indicator (per person), on macro-level is a reason of working activity stimulation consequences. Data says that the lowest level of unemployment is in Czech Republic. Herewith the lowest level of social guarantees is inherent to Czech Republic. It is need to be meant that for Czech, modern development of labor market is much more favorable that was expected in 2017, and that shows general positive development of Czech economics in the last years. On the other hand, lack of working hands on labor market begin to become an obstacle for further economical development, cause to it is harder and harder for companies to find appropriate workers which entails stopping of company's planned development. The general motivational factor is still salary, which dynamics must achieve 7-8% each year. But conservative Czech politics about social guarantees doesn't spread on other European countries. Europeans are searching a way of activization and stimulating of young people. It is worth to pay attention on program which works in France – unemployed people under 35, instead of social help granted with a starter capital to make own business. More than a quarter of all companies which formed in last years were financed by state unemployment insurance. It also contributes to the emergence of a significant number of working places. French government is trying to stimulate hiring of young people on work with the help of privileges for companies. In most of EU countries youth unemployment become more and more actual problem not only for governments of countries but for business structures too. Except of Gordon Brown's labor government in Britain and François Hollande's administration in France, most of EU countries didn't considered campaign against unemployment as priority. Learning experience of EU countries says that the most efficient are ways that motivate young people for action.

Conclusions and suggestions regarding further researches. Market of labor capital need changes, modernization and to form new life-settings for personal development. Today business-structures need modern educated, moral, enterprising and competent personalities who can make responsible decisions in the situation of choice, predicting it's possible consequences. Unfortunately, actual situation is another. It requires forming of motivational strategy which would make young people to take active life position and to develop leader's personality potential.

References:

1. Chernyishev, A. (2017) Why they are not in a hurry: 5 stories of German students "at the age of" ["Pochemu oni ne toropyatsya: 5 istoriy nemetskih studentov «v vozraste»"] [online] available from < <https://euro-pulse.ru/eurocampus/pochemu-oni-ne-toropyatsya-5-istoriy-nemetskih-studentov-v-vozraste> > [04.04.2019]
2. Fiorezi, J. (2017) 'A new humanism of work'. Contemporary pedagogy: responsibility and education of the youth of future society, 109-113
3. Generation theory ["Teoriya pokoleniy"] [online] available from < <https://ru.wikipedia>.

org/wiki/> [01.04.2019]

4. Gubsky, E. (1997) Philosophical encyclopedic dictionary. Moscow: INFRA-M
5. Hml , F. (2006) Personnel Management: Textbook. Kiev: Academvidav
6. III International Forum "FOIL: Psychology of Management for the Future Society" ["III Mizhnarodniy forum «FOIL: psihologIya upravlinnya dlya suspilstva maybutnogo»"] [online] available from <onto.ru> [04.04.2019]
7. Inzhin , M. (2015) 'Features of employee motivation in the EU'. Journal of the Kyiv University of Law 2, 140-143
8. Kolot , A. (1998) Motivation, stimulation and evaluation of personnel: A manual. Kiev: KNEU
9. Kuzansky, N. (1979) Works in two volumes. T.1. Moscow: Think
10. Leading foreign experience of innovative forms of stimulation of personnel of enterprises ["Providniy zarubIzhniy dosvid Innovatsiynih form stimulyuvannya pratsI personalu pIdpriemstv"] [online] available from <www.rusnauka.com> [04.04.2019]
11. Maslow, A. (1999) Theory of Human Motivation. St. Petersburg: Eurasia
12. Newsrelease euroindicators [online] available from < <https://ec.europa.eu/eurostat/documents/2995521/9422707/3-30112018-BP-EN.pdf/fb7929e7-5e59-4a28-ba16-46a0beb188dc>> [06.04.2019]
13. Search jobs by category ["Poisk vakansiy po rubrikam"] [online] available from <<https://rabota.ua/%D0%B2%D0%B0%D0%BA%D0%B0%D0%BD%D1%81%D0%B8%D0%B8.>> [04.04.2019]
14. Sokolov, V. (1969) Philosophers of antiquity and the Middle Ages // Anthology of world philosophy: in 4 tons. [online] Moscow: "Think". available from <http://cxyshadr.ru/uploads/article_file/186/antologiya_filosofii_drevnost_i_srednevekov_e_ch_2.pdf>