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Quality of working life as a strategic direction of domestic enterprises' activity

Abstract. Introduction. On the basis of the conducted analysis of scientific papers of leading foreign academic economists who focused on personnel management in their works it has been found out that to increase the Ukrainian's enterprises competitiveness and facilitate their effective integration into European space, it is necessary to implement measures that will ensure promotion of quality of working life. *Purpose* of the article is to analyze definitions of quality of working life and to identify the factors which will improve employees' standard of living and quality of working life at enterprises and workplaces. *Results.* F. Herzberg's theory was taken as a basis for identification of factors which allow us to determine standards of improvement of employees' quality of life at Ukrainian enterprises. *Conclusion.* This list of activities does not require significant costs and is focused on identification of the most problematic aspects which prevent employees form doing their jobs properly and with maximum quality. Its use will enable domestic enterprises to operate successfully in a variety of economic conditions: both in a profitable financial and economic situation, and in cases of loss.

Keywords: Strategic Approach; Quality of Life; Quality of Working Life; Hygiene Factors; Factors of Production Environment JEL Classification: J24; J80

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Забезпечення якості трудового життя як стратегічний напрям діяльності вітчизняних підприємств

Анотація. На основі аналізу наукових праць провідних зарубіжних вчених-економістів, які присвятили свої роботи дослідженню проблем управління персоналом було встановлено, що для збільшення конкурентоспроможності вітчизняних підприємств та сприяння їх ефективній інтеграції в європейський простір, доцільно запровадити заходи, що сприяють забезпеченню гідної якості трудового життя працівників. Визначено комплекс заходів для подальшого стратегічного управління якістю трудового життя працівників.

Ключові слова: стратегічний підхід; якість життя; якість трудового життя; гігієнічні фактори; фактори виробничого середовища.

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Обеспечение качества трудовой жизни как стратегическое направление деятельности

отечественных предприятий

Аннотация. На основе анализа научных работ ведущих зарубежных ученых-экономистов, которые посвятили свои работы исследованию проблем управления персоналом было установлено, что для увеличения конкурентоспособности отечественных предприятий и содействия их эффективной интеграции в европейское пространство, целесообразно принять меры, способствующие обеспечению достойного качества трудовой жизни работников. Каждая группа факторов Определен комплекс мер для дальнейшего стратегического управления качеством трудовой жизни работников. Ключевые слова: стратегический подход; качество жизни; качество трудовой жизни; гигиенические факторы; факторы производственной среды. 1. Introduction. In today's highly dynamic markets, where conditions change rapidly, managers periodically need to ascertain the validity of their strategy's assumptions and premises. Left unchecked, these conditions may change radically and cause the failure of the strategy. If devaluations are detected, managers can take corrective actions. In recent years, companies have used insights gained from strategic controls to develop innovative ways to compete. Many have used benchmarking to compare their performance with the best practices in the industry. Insights from these comparisons have resulted in large-scale programs that aim to build a total quality management (TQM) throughout the company.

In the corresponding empirical area, we can see more and more frequent efforts to create standardized procedures and tools for the measurement of working life quality, work quality, and job or employment quality. Locally-oriented versions of such tools can therefore be found, for instance, in Austria-Austrian work climate index, Germany - Gute Arbeit Index, Belgium -Quality of Work in Flanders, Spain - Indicator of Quality of the Labor market, Canada - Job Quality Model or the Czech Republic - Subjective Quality of working life. However, in recent years, more frequent efforts to compare job quality at an international level can be observed. Such comparisons are conducted on a more long-term basis using national statistic labor market data and relevant data from the European Working Conditions Survey (ELFS), European Survey on Income and Living Conditions (EU-SILC) or International Social Survey Program (ISSP). An intense interest in the supranational level of working life quality has also made the process of creation such tools at domestic Ukrainian labor market very actual. Creating such a generalized index that assess the quality of working life will allow not only compare the Ukrainian enterprises on certain parameters to each other, but also to determine the location of domestic business organizations in the international ranking.

The article identified the main factors of the industrial environment of Ukrainian enterprises, which can be used to assess the quality of working life of employees. These factors can be used in non-financial reports of domestic companies to characterize the degree of their social responsibility to employees. A specific list of factors that characterize the quality of working life will make non-financial reports of Ukrainian companies more structured and comparative. Among the business organizations that can use proposed by the authors factors of the working life quality, can be identified: Arterium Corporation, D.TEK, The Coca-Cola Company, Foxtrot, Gestalt Consulting Group, ViDi Group, System Capital Management, NadraBank, Kyivstar, XXI Century.

The above information makes the conducted research relevant and practically important for domestic business organizations that implement activities based on ideas of social responsibility.

2. Brief Literature Review. Plenty of scientific foreign and domestic researches and papers confirm topicality, as well as theoretical and practical importance of quality of working life in the enterprise's strategic goals reaching. A. Thompson and A. Strickland (2007), M. Armstrong (2002), Y. Doroshenko (2009), G. Dmitrenko (2006) highlight problems related to particular aspects of quality of life, whereas a strategic approach to the problem of ensuring the quality of working life of employees has not yet received coverage in the works of Ukrainian and for reign authors.

3. Purpose of the article is to define quality of working life and formulate the factors which motivate employees to enhance their standard of living and quality of working life at enterprises and working places.

4. Results. Nowadays is a time of organizations which can fully use human resources to provide the highest efficiency. And it is also a time when the struggle for human rights in opposition to the organizations enters a new phase – one of the main lines of the 21st century and probably the 22nd century. The question is: can the individual be so strong and powerful personality to withstand the pressure of the organization and ensure normal development of human society? Do people find the strength to continue to be human in tough working condi-

tions provided by business structures? This is an issue of personal protection from organizational misleads in the name of reason, responsibility, sense of ownership, in other words, necessity to be a «proactive stance» rather than a working resource (Kolpakov, Dmitrenko, 2005). For this reason, only a strategic approach in ensuring the quality of working life of employees today will transform this confrontation between the organization and the person to a fruitful cooperation and proactive combination with the main objectives, which will have a long-term effect.

The necessity of using a strategic approach is confirmed in the works of many authors. For example, A. Thompson and A. Strickland (2007) pay special attention to the issues of human resource management, in particular, the establishment of organizational culture, values and norms. They note that «... as employees and managers are socialized into the culture, the company's important objectives are transmitted to them ... The organizational culture thus instills and enforces acceptable values in employees. In many ways the organizational culture serves as an informal control system: acceptable behavior is reinforced, whereas unacceptable behavior is rejected...» (A. Thompson and A. Strickland, 2007).

Most of the management processes are aimed at creating an environment in which employees are encouraged to learn and develop. The focus is on the self-learning organization creation in which the systematic knowledge is being managed. Strategic management is also responsible for approaches planning to encourage self-development (self-study) with appropriate support and leadership by the organization. One of the main goals of human resource management is to create conditions where the employees' hidden potential will be realized and their commitment to the organization will be provided (Armstrong, 2002).

In other words, the tactical objective within the overall strategy management at enterprises is to create such conditions for employees which will contribute to the improvement of the quality of their working lives and effective implementation of their creative potential in a particular company, particular society and in a particular workplace.

The analysis of the domestic and foreign authors' works leads to the conclusion that there is no agreed scientific definition of quality of life, so each author emphasizes one particular aspect of this concept. The analysis of the structure of the various definitions of quality of life implies that the structure of these definitions can divide substantial and operational parts.

The substantial part usually reveals the essential understanding of the concepts directly by the author and the operational part concerns a specified method for quantitative measurement of quality of life. The operational part also defines the procedure of the actual level of satisfaction compared to basic needs. These procedures are divided into two groups: one is based on subjective self-assessment, while the other is based on an objective assessment of the appearance.

The definition of quality of life is based on subjective selfassessment, at the level of human's satisfaction with his own life. This level is largely determined by each individual's expectations of the standards that have been adopted in the social microenvironment, with which he is associated by himself. Thus, from this point of view, quality of life – is a level of a person's satisfaction by his/her life according to his/her own subjective selfassessment (Doroshenko, 2009).

Quality of life – is a complex concept, which in comparable space and time form reflects the degree of satisfaction level of the material, cultural and spiritual person needs, estimated in accordance with the level of human's satisfaction with his/her life relevant to subjective self-esteem and measured by competent and informed experts via a set of objective indicators.

The World Health Organization (WHO) defines quality of life as people's perception of their position in life, according to the cultural specifics and system of values and some kind of relation with their goals, expectations, standards and concerns (Doroshenko, 2009). The WHO also proposes to evaluate the quality of life by the following parameters: physical (vitality, fatigue, physical discomfort, sleep and rest); psychological

(self-estimation, concentration, positive emotions, negative emotions, thinking); degree of independence (daily activities, performance, dependence form drugs and treatment); life in the community (daily activities, social relationships, friendships, the overall significance, professionalism); environment (housing and life, security, leisure, information accessibility, ecology (climate, pollution, population density); spirituality and personal beliefs.

Legally, guality of life is considered to be realization of the right to a decent life and free human development.

Thus, the study of the main distinguishing features of the category «quality of life» allows us to define the quality of working life, under which labor will be understood as a combination of employees' working life factors relevant to the degree of realization of employee's interests and use of their intellectual, creative, moral, and organizational abilities.

As part of the strategic approach to the management of the workforce at any enterprise, special attention should be paid to ensuring the employees' quality of working life by: firstly, increasing the workers' welfare by improving the hygiene factors of labor activity; secondly, increasing the efficiency of human resources through the workers interest in active labor and motivational factors that will help to increase productivity in the workplace.

Due to F. Herzberg, hygiene factors are connected with the environment in which the personnel works (Dmitrenko, 2006). This group includes the factors that make work more attractive and create decent conditions for normal work: working without much tension and stress; convenient location; low noise and pollution in the workplace; working with people who are pleasant to the employees; good relations with top-managers; a sufficient amount of information about what is happening at the enterprise; flexible pace of work and flexible working hours; significant additional benefits; fair distribution of work quantities.

The second group of factors contribute to employees' active labor behavior: a good chance of promotion; high salaries; payments related to labor performance; acceptance and approval of a well done job; work that «makes» employees develop their abilities; complex and difficult work; work which requires creative thinking; a high degree of responsibility; interesting job; work that requires creativity.

Besides the groups of factors proposed by Herzberg, some foreign and domestic researchers identify additional factors that have an impact on the process of employees' motivation and have been suggested by the authors to consider as factors of employees' working lives (Figure).

Thus, Armstrong (2002) focuses attention on individual learning through guidance, counseling, training centers, mentoring, external resources developed to meet the specific needs of the employee, internal and external training programs and courses developed to meet the needs of groups of workers (Armstrong, 2002).

R. Harrison (2005) notes the importance of leaders' development in the process of management, which must be considered when formulating the overall strategy of the labor activity. D. Goleman identifies the so-called «emotional culture» that turns the changes in the self-governing process that encourages employees to draw up training plans relevant to their interests, resources and goals (Goleman, 2010).

The outlined list of factors of employees' labor activity proposed by F. Herzberg and the basis of literature review can be summarized with regard to certain groups, which characterize these factors in an integrated way: company's and administration's policy; working conditions; payment; interpersonal relationships with superiors, colleagues and subordinates; providing development and self-development; the formation of «emotional culture».

A list of activities should be developed for each of these aroups of factors and this would help to improve the quality of working life considering the performance of enterprises (profit/loss). The list of activities that can be implemented within the framework of working life's quality improving for each group of factors is shown in the Figure.

5. Conclusions. The strategic approach to ensuring the quality of working life allows domestic enterprises to form a



life at domestic enterprises Source: Compiled by the authors according to [4]

basis for the concept of human capital, in which a person is considered to be the main resource of organization that will ensure that the activities of Ukrainian enterprises meet requirements of global economic environment.

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