CHAPTER 3
MODERN MANAGEMENT TECHNOLOGIES

ROLE, PLACE AND CONCEPTUAL PRINCIPLES OF HUMAN RESOURCES MANAGEMENT OF THE ENTERPRISE

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Abstract. The manuscript is devoted to solving a scientific task related to the development of theoretical and methodological basis and applied fundamentals on evaluation and decision making in the enterprise’s personnel security system (EPSS).

The methodology of evaluation of management of EPSS is developed, which includes: theoretical bases for personnel safety evaluation; system of personnel risks of the enterprise; the clustering of the indicators of personnel security evaluation of the enterprise on various grounds and allows to fix the points of the break, the moments of the onset of emotional burnout or, conversely, the career growth of the individual worker, which eventually creates conditions, and first of all, to prevent threats to the enterprise by its staff.

Developed and justified a dynamic decision-making model in the EPSS using the method of analyzing hierarchies based on the principles of identity and decomposition, allows you to choose the best alternative to the multi-criteria management model of the specified system, to calculate the static and dynamic indicators of a potential candidate and the main employee, to track the development dynamics individual employee in the enterprise, and the structural unit or organization as a whole, as well as to establish and adjust the requirements for potential candidates for employment, ultimately allows to improve the level of EPSS.

The content of the main categories has been improved («personnel security», «personnel security system», «personnel security system management», «personnel security subjects», «personnel security threats», «enterprises personnel security evaluation indicators», «enterprises personnel security evaluation methodology»), which, unlike the existing ones, formed by combining the theoretical and methodological foundations of management and personnel security of an enterprise, provide a unified approach to the evaluation and adoption solutions in the EPSS.

Keywords: economic security of enterprises, personnel security, threats, enterprise management, evaluation methodology, integral indicator, intellectual modeling of decision-making, opposition to insiders.

JEL Classification: J01, J50

Formulas: 0; fig.: 1; tabl.: 1; bibl.: 19.
development of an appropriate methodological framework for evaluating their actions to make effective management decisions.

The analysis of scientific works of domestic and foreign authors gave grounds to claim that quite often ensuring economic security of enterprises is equated with confrontation of influence of various threats, and also with protection against various economic crimes (theft, fraud, forgery, arson, unfair competition and industrial espionage). etc.), but this concept is much broader and needs to be thoroughly studied.


Despite the considerable amount of research, many issues related to the assessment of the personnel security system and the adoption of appropriate management decisions based on its results remain open for further development.

**Aims.** The purpose of the article is to develop theoretical and methodological and applied principles for evaluating and making decisions in the personnel security system of the enterprise.

**Methods.** A number of general and special methods were used in the work, namely: methods of induction and deduction – during the study of the concepts of «personnel security», «threats to personnel security»; observation and generalization – to establish the place of personnel security among other components of economic security of the enterprise; causal method – in the process of assessing the state of personnel security of enterprises.

**Results.** In modern economic conditions, enterprises and organizations independently develop and implement their economic policy, organizing production and marketing, forming current assets and repaying liabilities, which leads to the need to ensure economic security of their activities and requires the creation of its own personnel security management system.

The initial concept of economic security from the standpoint of object-oriented approach was proposed in the early 90s of the twentieth century. And was seen as creating conditions for the preservation of trade secrets in the management system of economic security of the enterprise.

For example, D. Kovalev and T. Sukhorukova define the concept of «economic security of the enterprise» as «protection of its activities from the negative effects of the environment, as well as the ability to quickly eliminate various threats or adapt to existing conditions that do not adversely affect its activities» [1, p. 48].

A similar opinion is held by V. Shlykov, who considers the economic security of the enterprise as «… a state of protection of vital interests of the enterprise from real and potential sources of danger or economic threats» [2, p. 33]. However, it is difficult to agree with the approach proposed by V. Shlykov [3], because in his interpretation of this concept the vision of the prospects of enterprise development is lost, as it is identical to the concept of adaptation of the enterprise, which is not
correct. In addition, the attempt to determine the economic security of the enterprise in such a context creates the appearance that the enterprise and the threats to its activities are separate phenomena, not related to each other in essence.

Considering the essence of the concept of «economic security of the enterprise (organization)», G. Minaev notes that this term should be understood as «protection of vital interests of the organization from threats in the economic sphere» [4, p. 359].

A similar opinion is expressed by TM Sokolenko, who gives this interpretation of the term «economic security» – is «a state in which the strategic potential of the firm is close to the limits of adaptability, and the threat of loss of economic security increases as the degree of adaptability of strategic potential to the border zone». That is, if the strategic potential of the firm in its current form has exhausted the possibility of adapting to the instability of the external environment within the mission, it can be argued that the economic security of the firm, which may manifest itself in the form of loss of competitive status or significant deterioration company image [5].

A detailed definition of the system of economic security of economic entities is provided by L.G. Shemayeva, who notes that the «system of economic security of the enterprise» is an organized set of interconnected elements of external and internal security of economic entities, such as: special bodies and services, facilities, scientific approaches, regulatory framework, policy, strategy, concept, principles, functions, tasks, methods and tools aimed at ensuring the implementation of strategic and tactical interests of the business entity, as well as protection of these interests from external and internal threats [6, p. 15]. At the same time, the classical definition of any system, as a rule, does not contain the concretization of its elements, so in this case, excessive detail may be a defect in understanding the essence of the concept under study.

Scientists AA Kirichenko and Yu.G. Kim emphasize that the system of economic security of the enterprise is a set of organizational and managerial, technological, technical, preventive and marketing measures aimed at quantitative and qualitative implementation of protection of the interests of the enterprise from external and internal threats [7, p. 54]. However, not only the interests of the enterprise need protection, but also the interests of persons directly related to this enterprise – its owners, management staff, ordinary employees, etc.

According to I. Shevchenko, the system of economic security is a set of interrelated actions of organizational-economic, legal, functional nature, aimed at ensuring the security of the enterprise; the state of protection of its vital objects from real and potential sources of danger or threats with a clearly defined and specific goal and objectives of the economic security system in relation to the specific conditions of the enterprise [8, p. 178].

Thus, most of the analyzed definitions of the economic security system of the entity emphasizes the complexity and multifaceted nature of the concept, but does not take into account the fact that it is important to find the right balance between probable losses in violation of economic interests and allowable costs to prevent or minimize such losses.
Thus, a large number of scholars approach the understanding of the economic security system in terms of positioning it as a set of measures, ie are supporters of an integrated approach. At the same time, not all researchers in their definitions specify what measures are in question, and what is the ultimate goal of successful implementation of these measures, ie what task should be solved by an effective system of economic security of a modern enterprise.

V.M. Andrienko notes that «the system of economic security of the business entity» is a set of elements, namely parts of its financial, material, labor, information support, which in the process of its interaction within the achievement of the goal of the enterprise, in a changing environment and probable manifestations of internal threats to the system, allow it to maintain and increase or effectively use its own and borrowed resources and realize economic interests [9].

Thus, the term «economic security system of the enterprise» is appropriate to understand a set of interrelated management actions aimed at ensuring the stable operation of the enterprise by neutralizing internal and external threats to its activities.

The list of basic principles of functioning of the economic security system and their brief characteristics are given in table 1.

We describe the principles of functioning of the system of economic security of enterprises:

1. The principle of system – provides for the creation of such a system of economic security in the enterprise, which will ensure its protection in general, including its property, personnel, information, various areas of activity from internal and external threats.

2. The principle of timeliness – stipulates that the system of economic security should be built in such a way as to be able to identify various threats at an early stage, take measures to prevent their harmful effects and damage to the enterprise.

3. The principle of legality – provides that all actions to ensure economic security should be based on applicable law and not contradict it.

4. The principle of continuity – provides that the system of economic security must operate constantly, protecting the interests of the enterprise in terms of risk and counteraction to intruders.

5. The principle of economic feasibility – provides that the system of economic security should be built in such a way that the cost of its provision was economically feasible, optimal and did not exceed the level at which the economic meaning of its use is lost.

6. The principle of planning – involves organization in the functioning of the security system, requiring each participant in the process to act consistently, clearly perform their duties and solve the tasks facing him. Security activities are organized on the basis of a single plan, set out in a comprehensive program and specific plans for individual areas and subtypes of security.

7. The principle of interaction – provides that to ensure the safety of the business entity, it is necessary that the efforts of persons involved in this process, units, services were coordinated. All actors involved in this process must interact with each
other, as the success of the case, the end result and the achievement of the goal depends on the coordination of actions of all participants in the process.

**Basic principles of functioning of the system of economic security of economic entities**

<table>
<thead>
<tr>
<th>№</th>
<th>Name of the principle</th>
<th>The content of the principle</th>
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<tbody>
<tr>
<td>1</td>
<td>Legality and observance of human and civil rights and freedoms</td>
<td>Security measures are developed on the basis of and within the framework of current regulations</td>
</tr>
<tr>
<td>2</td>
<td>Priorities of preventive measures</td>
<td>Timely identification of trends and preconditions that contribute to the development of threats</td>
</tr>
<tr>
<td>3</td>
<td>Priorities for the protection of individual rights in the security process</td>
<td>Ensuring the protection of the rights of persons exposed to danger in the process of ensuring the security of the facility</td>
</tr>
<tr>
<td>4</td>
<td>Privacy</td>
<td>Ensuring the confidentiality of information on the implementation of measures to ensure the security of the facility</td>
</tr>
<tr>
<td>5</td>
<td>Cooperation</td>
<td>Cooperation with law enforcement and regulatory agencies, security services of other facilities, etc.</td>
</tr>
<tr>
<td>6</td>
<td>Integrated use of forces and means</td>
<td>All available resources and funds are used to ensure economic security</td>
</tr>
<tr>
<td>7</td>
<td>Competence</td>
<td>Employees must address safety issues at a professional level</td>
</tr>
<tr>
<td>8</td>
<td>Economic feasibility</td>
<td>The costs of economic security should not exceed the optimal level at which the economic meaning of their application is lost</td>
</tr>
<tr>
<td>9</td>
<td>Planned basis of activity</td>
<td>Security activities should be based on a comprehensive security program, in particular by its types and bringing to work plans of relevant units</td>
</tr>
<tr>
<td>10</td>
<td>Systematic</td>
<td>Taking into account all factors that affect the economic security of the entity</td>
</tr>
<tr>
<td>11</td>
<td>Integration into the overall objectives of the entity</td>
<td>Focus on the strategic goals of the business entity, work on the overall result in close coordination with other departments</td>
</tr>
<tr>
<td>12</td>
<td>The principle of potential connectivity</td>
<td>Assumes the presence of potential opportunities in the formation of temporary independent systems in the system complex due to the intersection of strategic interests of the subjects</td>
</tr>
<tr>
<td>13</td>
<td>The principle of synergism</td>
<td>Provides a compatible cooperative effect of system interaction</td>
</tr>
<tr>
<td>14</td>
<td>Active influence</td>
<td>Active influence on relations in interaction with the subjects of the external environment</td>
</tr>
<tr>
<td>15</td>
<td>Subjectivity</td>
<td>Consideration of the external environment through the prism of economic interests of the subjects of interaction</td>
</tr>
<tr>
<td>16</td>
<td>Reflections</td>
<td>Consideration of the business entity as a reflective system, the implementation of self-assessment and evaluation of reflective ideas of the subjects of interaction on the development of the situation</td>
</tr>
<tr>
<td>17</td>
<td>Compromise</td>
<td>Coordination of economic interests of the business entity in strategic interaction with the subjects of the external environment</td>
</tr>
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</table>

*Sources: compiled personally by the author on the basis [10, 11, 12, 13, 14, 15]*

The principle of cooperation involves the establishment of close business contacts and coordination with external organizations (law enforcement agencies, public authorities and non-governmental security agencies), able to provide the necessary assistance in ensuring the economic security of the enterprise.
8. The principle of competence – implies that the issue of economic security is not a side issue, but vital. As a result of deliberate actions of criminals, unfair competitors, risky decisions by employees of the institution, significant damage can be caused, so the issue of economic security should be dealt with by professionals who know the nature of the problem, can assess the situation and make the right decision.

9. The principle of combining publicity and confidentiality – provides that the system of basic measures to ensure economic security should be known to all employees of the enterprise, and its requirements must be met. This will allow to identify and prevent potential and real dangers and threats in a timely manner.

The main purpose of ensuring the economic security of the enterprise or business entity is to achieve maximum stability, as well as to create a basis and prospects for growth to meet business goals, regardless of objective and subjective threatening factors (negative actions, risk factors).

Personnel security is one of the most important components of the economic security system (along with others – financial, force, information, technical and technological, legal, environmental and others).

The purpose of personnel security is specified in the tasks, which are determined depending on three factors: depending on the levels of management of the organization, depending on the types of threats and depending on the risk groups.

Depending on the levels of management of the organization, the tasks of personnel security are related to the fact that as part of economic security, personnel security is implemented first at the level of strategy, and then specified in programs and methods (personnel security system of the enterprise). At the strategic level, the personnel policy of the enterprise is determined, its connection with the general strategy of enterprise development is established, the main directions of work of the personnel management service are determined. The task at this stage is to identify the problems of the enterprise, to develop their solutions, to develop certain rules and regulations that are mandatory for the whole enterprise, which contribute to staff security.

Methods of ensuring personnel policy should be involved in the processes of human resource planning, information, financial policy, staff development and evaluation.

The personnel security strategy, personnel policy and the general strategy of the enterprise as a whole must be clearly formulated and understood by the personnel management employee.

Based on the study, the main tasks of the personnel security management system were systematized, in particular:

– formation of requirements to employees of the enterprise in the context of ensuring economic security;
– development of appropriate regulatory documentation for personnel management staff;
– development of regulatory documentation for other employees of the enterprise in the interests of personnel security;
– detection, prevention and termination of undesirable actions by the personnel of the enterprise that may cause harm to the interests of the enterprise;
– carrying out measures aimed at preventing persons from holding official positions, abusing which they may harm the enterprise by their actions.

**Discussion.** In modern theory of economic security today there is no single defined system of personnel security management, clearly and logically structured structure and a defined mechanism that does not allow in practice to effectively use available resources and ensure a sufficient level of personnel security through one-sided perception. In practice, most businesses eliminate economic security measures and reduce them only to physical protection of the territory and protection.

The subjects of the personnel security management system of the enterprise are individuals, legal entities, departments, services, institutions, organizations directly involved in the security system. In this regard, it is appropriate to divide the subjects into two subgroups:

1) external, which include public authorities, law enforcement agencies, security services of other economic entities, non-governmental security agencies, persons who do not have business relations with the enterprise;

2) internal, which include the security service of the enterprise, personnel service, legal department, structural units, personnel of the enterprise.

Like any economic system, the personnel security management system of the enterprise operates within the legal and legislative field, which is an essential condition for its effective operation. Regulatory and legal support of personnel security consists of the main legislative acts, normative legal documents, internal provisions and regulations, which should be classified in the following areas:

1) international ISO safety standards:
   – ISO 15408 "General criteria for assessing the security of information technology";
   – ISO 27001 "Information Security Management System";
   – ISO 31000: 2009 "Risk Management"

2) legislative and regulatory documentation:
   – Constitution of Ukraine;
   – Commercial Code of Ukraine;
   – Criminal Code of Ukraine;
   – Civil Code of Ukraine;
   – Code of Labor Laws;
   – Law of Ukraine "On Information";
   – Law of Ukraine "On information protection in automated systems";
   – Law of Ukraine "On protection against unfair competition"

3) normative documents of internal regulation:
   – statute;
   – job descriptions;
   – employment contract;
   – obligation not to disclose trade secrets and confidential information;
   – provisions on trade secrets;
provisions on protection of trade secrets;
- nomenclature of officials and employees who have access to trade secrets;
- list of information that is a trade secret of the enterprise;
- internal work schedule of the enterprise;
- provisions on labor discipline;
- provisions on official record keeping;
- provisions on conducting official investigations.

The functions on the basis of which the mechanism of personnel security management of the enterprise operates, consist in:
- search, classification and systematization of typical threats associated with the causes of destructive and destabilizing processes in personnel security;
- optimization of the ratio of the motivational mechanism and the system of penalties and liability;
- organization of a system of analytical work to ensure the staffing and formation of professional staff of the enterprise or business entity;
- ensuring the protection of all components of personnel security;
- conducting explanatory work among the staff and acquainting them with the responsibility for their corruption, bribery, extortion;
- ensuring control over compliance with laws and regulations on abuse of office, delinquency and bribery among staff;
- organization of educational and introductory lectures, seminars, trainings with a system of measures to ensure personnel security at the enterprise and acquaintance with the category of trade secrets.

The formation of the mechanism of personnel security management allowed to form its optimal structure, to include the most necessary components, to reflect strategic connections, which instead allowed to illustrate a comprehensive approach to its construction.

Such a model can ensure the efficient functioning of the personnel component of economic security, without material and financial losses, while increasing equity and operating in accordance with a single corporate concept (Fig. 2).

The tasks of the personnel security management system of the enterprise are:
- personnel security audit;
- identification of threats to personnel security of the enterprise;
- selection, verification and study of candidates for work at the enterprise;
- identification of falsified documents when hiring;
- development of a package of documents to protect the economic interests of the enterprise (documents are signed when concluding employment contracts with employees and legally establish the rights, duties and responsibilities of employees for the period of non-disclosure of confidential information, reimbursement of internal training, prevention of conflicts of interest, return of material, money and documents);
- assessment of job suitability, career prospects, personal potential, moral guidelines and propensity in employee behavior;
– collection of data on job candidates for management decisions on acceptance or rejection;
– collection and analysis of data on employees to make decisions on admission to confidential documents or participation in important projects;
– participation in official investigations into the behavior of employees that cause damage to the security of the enterprise;
– participation in the legal support of labor disputes related to the violation of measures or other contractual obligations.

The personnel security management system of the enterprise, being an integral part of the company's economic security, is aimed at such work with staff, at establishing such labor and ethical relations, which can be defined as "break-even". All this activity is not a separate area in the functions of the personnel manager, but only organically included in it (Fig. 1).

From the point of view of safety in the approach to labor interaction each candidate for a vacancy, each worker of the enterprise should be considered every minute as a source of risk, a source of potential threat.

![Areas of personnel security of the enterprise](source: compiled personally by the author)

**Fig. 1. Areas of personnel security of the enterprise**

During the selection of candidates for vacant positions:
– verification of the accuracy of the provided personal data;
– inspection of an individual for the presence of criminal offenses and administrative offenses;
– checking the candidate for medical contraindications to the proposed work;
– collection of characteristic information about the person at the previous place of work, service, training, professional competence, which is declared by the candidate;
– selection of candidates for financially responsible positions;
– psychological testing of employees when appointed to key positions.

When working with the staff of the enterprise or business entity:
– assessment of job suitability, career prospects, personal potential, moral guidelines and inclinations in employee behavior;
– rational placement of personnel, formation of psychologically stable teams;
– development of professional certification of staff, aimed at neutralizing the risks associated with professional incompetence of employees;
– settlement of conflict situations within the enterprise;
– development of programs to prevent material damage resulting from theft, fraud and other internal abuses by staff;
– development of the program of measures of corporate policy of the enterprise.

Thus, personnel security of enterprises is a new element of modern enterprise management, without the implementation of which it is impossible to ensure the reliability of staff and sustainable development of enterprises. Personnel security is one of the most important components of the system of economic security of enterprises, and its provision requires the development of an appropriate mechanism.

**Conclusions.** According to the results of the research, the analysis of the categorical apparatus in the field of personnel security was carried out, the place of personnel security in the system of economic security of enterprises was determined, the system of personnel security of the enterprise was characterized.

Based on the study, the main elements of the system of economic security of enterprises were systematized, which include: the object (financial resources, information, staff, property, legal support, etc.); subject (there are those persons, divisions, services, bodies, departments, institutions that are directly involved in ensuring its security); functional components (financial, financial and economic, corporate, technical and technological, technological, production, innovation, market, resource, property, power, physical protection, intellectual and personnel, intellectual, personnel, political and legal, legal, information, information and analytical, information-psychological, interface, ecological); the mechanism of functioning and methods of assessing the state of the system.

A system of personnel security is proposed, which will help to solve some of the general problems in terms of its theoretical justification and provide a qualitative description of all existing facilities, while being in the process of constant growth without material and financial losses. The objects of personnel security in this case should include: managers, shareholders, partners, staff and freelancers, financial resources, hardware and software, objects of copyright and related rights, all material resources of the business entity, to which there is free and limited access of personnel, protected information, information resources of limited use and freely distributable information resources. To the subjects: individuals, legal entities, divisions, services, institutions, organizations directly involved in the security system.

**Author contributions.** The authors contributed equally.

**Disclosure statement.** The authors do not have any conflict of interest.

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