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## **FEATURES OF BUILDING A MANAGERIAL CAREER BASED ON ENTREPRENEURSHIP EDUCATION**

**Stoyan Radev Koev, University of National and World Economy  
Iryna Moroz, Kyiv National University of Trade and Economics  
Natalia Mushynska, Odesa Institute of Trade and Economics  
Olena Kovin'ko, Vinnytsa Institute of Trade and Economics of KNUTE  
Svitlana Kovalchuk, Khmelnytsky National University**

### **ABSTRACT**

*It is proved that the effectiveness of management personnel as an component and integral part of the efficiency of the enterprise activities is one of the key factors of its success and competitiveness, which is possible through the use of an effective mechanism for the management of both personnel based on entrepreneurship education. It was proposed to use a functional approach to the severance and identification of the main functions of personnel management at enterprises based on the life cycle of the personnel, which, unlike existing ones, allows us to analyze the activities of personnel in the affinity of functional relationships and helps to determine the composition and norms of using the resources based on interconnected and mutually agreed indicators to ensure an increase in the level of labour productivity.*

**Keywords:** Entrepreneurship Education, Life Cycle, Human Capital, Investments, Development, Adaptation.

**JEL Classifications:** I2, F6

### **INTRODUCTION**

Considering the processes of investments in human capital by the business entities, it is also advisable to determine the professional and life stages at which is a worker at the time of implementation of a particular type of investment. This need is due to the importance of taking into account two factors: objective factor-to find out the needs of the company for the development of a specific employee and the level of efficiency of investments, and subjective factor-identification of the presence of the employee's desire for personal professional development. The expediency of taking into account the second factor is due to the fact that, according to scientists, the overall effectiveness of vocational training depends on the desire for self-development of a person by 20%.

### **REVIEW OF PREVIOUS STUDIES**

Investigating the stages of the employee's life cycle, indicate the existence of four interrelated areas of its professional development: professional development, professional

fulfilment, professional burnout and professional under achievement. Other researchers offer a similar sequence of stages of the cycle of working life that is more focused on the individuality of the human, in which they include the following phases: acquisition of knowledge, skills and abilities, improvement, productive performance of work, loss of employment opportunities (Mester et al., 2018). The basis for the development of these classifications was the principle of a gradual generalized change in the professional level of the worker during the whole working life, regardless of belonging to any enterprise.

There are also other interpretations of the determination of the stages of the employer's life cycle on various signs. In accordance with the change in perception of the image of the company by the employee, there are the following stages of its life cycle: initial knowledge about the enterprise, first impression, subjective perception of the enterprise and a stable idea of it (Wilcox, 2016). The system of social development, which is put in the practice of the majority of Japanese firms, is based on determination of the stages of the employer's life cycle, taking into account changes in its family status: single or unmarried, marriage, "*building*" of the family, maturity, preparation for the old age, enjoyment of life in old age (Elia et al., 2017).

However, such classifications of the stages of the employee's life cycle do not allow us to determine how its attitude to a particular enterprise is transformed depending on changes in its qualitative, professional qualification characteristics. At the same time, existing classifications of life cycle stages do not allow us to establish the relationship between the volume of investments made in the development of human capital and the level of competence of the employee.

The research of Subbarayalu et al. (2018) is devoted to study of the composition of the stages of the life cycle of multi-level training of specialists. They offer the following sequence of life cycle stages: scientific research in the field of multi-level training of specialists; development of an integrated system of training of specialists and its support, implementation of the integrated system of multi-level training of specialists, functioning of an integrated system of training of specialists, assessment of the efficiency of multi-level training of specialists; the formation and implementation of appropriate measures aimed at improvement of the integrated system of multi-level training of specialists.

Equally important research is a study performed by Tetiana et al. (2018a:2018b): stages in the person's life cycle can be prolonged if they are drawn to an effective program of professional development. In our opinion, this can be done using a system of incentives.

## METHODS

The theoretical and methodological basis of the research is the fundamentals of economic theory, macroeconomics, and management theory, papers of domestic and foreign scientists, which concern the improvement of the mechanism of ensuring the effectiveness of personnel management of machine-building enterprises.

The methodological basis of this study is the concept of "*Time of Life*" (ToL). In this determination of the stages of the life cycle, the research object is not the professional level of a certain employee, but an integrated training system, which can be implemented on any enterprise and used to enhance the professional level of both an individual employee and a certain group of employees of the enterprise. So, such a classification of stages of the life cycle is the basis for the formation of an effective system of multi-level training of specialists, but does not allow to trace the change in the professional level of an employee within the same enterprise under the influence of investments made in human capital.

## RESULTS AND DISCUSSION

Under the conditions of the activity of any business entity it is suggested that the entire life cycle of an employee in the enterprise be considered as five consecutive stages in order to determine the effectiveness of investing in human capital, taking into account the reasonable level of the need for staff development and the desire of employees to develop professionally, professional adaptation, professional growth, accumulation of professional experience, professional realization and reduction of professional realization.

The speed and duration of each stage depends on both the personal qualities and professional aspirations of the employee itself and the impact of other factors. The duration of each stage of the lifecycle of an employee at a particular enterprise is influenced by factors of both internal and external environment. The most influential factors of the internal environment should include the volume and intensity of investment in human capital development from different sources, motivational affirmations and expectations of employees, the level of remuneration and career development opportunities, existing level of personnel turnover at the enterprise, and presence of positive competition among employees regarding the possibility of taking up of a vacant post. Among the factors of the environment, the greatest influence have the following ones: the state of innovation development of the country's economy and the existence of an efficiently functioning system of higher and vocational education, correlation of able-bodied and disabled people in the region, existing level of employment and unemployment of the population of the region and country, and place and living conditions of the able-bodied population.

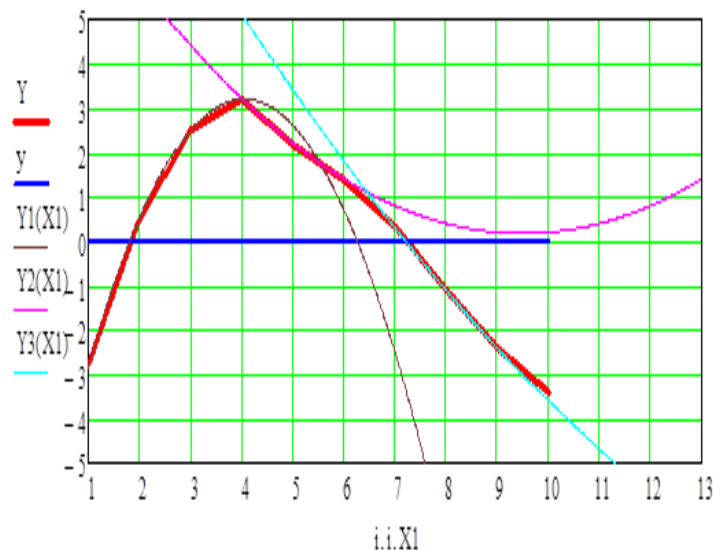
At the life cycle stage connected with the labour adaptation of the employee at a certain enterprise, it adapts to the new conditions of production and collective, and accepts corporate culture of the enterprise. In this period, the employee seeks professional development and has a high level of motivation for career growth, but does not yet know what ways it is possible to fulfil it at a particular enterprise (Jin-Feng et al., 2017).

One of the positive benefits of young employees is their professional and geographical mobility. Thus, according to expert estimates, more than 30% of young employees change three or more jobs in the first three to five years of their work (Hilorme et al., 2018). That is why investment in the development of a young employee at the stage of labour adaptation involves costs and a high risk of non-returning of funds in case of unsatisfactory results of adaptation and possible dismissal of the employee. In order to minimize possible negative consequences, it is necessary to create a motivational interest for a prospective employee and to enable it to develop professionally both at the workplace and in specialized educational institutions of the region. For this purpose, international companies invest on average about 3,000 euros for the professional development of one leading manager, which allows them to complete their training in accordance with training programs with a total amount of 64 hours (Freitag et al., 2016).

The conducted researches of activity of the personnel of the enterprises, namely, the analysis of career development costs for personnel in previous years, give reason to predict the calculation of personnel costs for future years. X: full costs; Y: costs when the result is achieved by the personnel; Y0: costs for support of personnel activities. The graphic representation of the personnel life cycle with maximum labour and costs effectiveness for personnel activities at the enterprises under study is presented in Figure 1.

During the stage of professional growth, the employee is already clearly aware of not only its attitude to professional development, but also clearly knows how it can be fulfilled in the event of a personal desire and under appropriate conditions.

During this period, the professional level of the employee is growing rapidly, and investment allows not only to accelerate its growth, but also to increase the employee's motivation to qualitatively fulfil its professional duties and further personal development. The investment in the human capital at this stage creates conditions for a real payback of the invested funds at all stages of the employee's life cycle.



**FIGURE 1**

**THE GRAPHIC INTERPRETATION OF THE PERSONNEL LIFE CYCLE CURVE  
(AUTHOR'S DEVELOPMENT)**

The stage of accumulation of professional experience of an employee is the most important both for it personally and for the enterprise. The activity in achieving the set goals and the aspiration of the employee to professional growth reach the maximum level when management uses practically all possible ways of achievement in the conditions of the certain enterprise. Investments in the professional development of the employee carried out at this and the previous stages are beginning to bring results that have a positive effect on the overall activity of the enterprise. An increase in the level of payback is achieved by maximizing the full use of knowledge and skills of the personnel obtained during training in their practical activities. The stage of professional fulfilment is accompanied by a gradual reduction of the desire and motivation of the employee to its professional development as a result of achievement of its qualification level, the highest one for the conditions of the enterprise in accordance with the professional potential of the employee. However, the well-chosen forms of development and timely investments in human capital can greatly enliven the employee's interest in its own professional growth, which will increase the efficiency of investments in its development.

At the stage of reduction of the professional fulfilment, the employee has completely exhausted the potential for professional growth within a given production unit or enterprise and, as a rule, the absence of the desire for further development is observed. If this stage of the life cycle of the employee at the enterprises coincides with the term of the termination of its work, then the social protection and security have the greatest value for it, but not its own development. As a result of the experience accumulated in the previous stages of the life cycle, the work of such an employee will be productive and effective until its retirement. In all other cases where an employee has reached the upper limit of its professional qualification growth at this enterprise

but has not reached the upper threshold of its own potential, there is a rather high probability that an employee will leave the enterprise in search of the best conditions for using its own professional potential. Then, if desired, he can start a new life cycle at another company. Under these conditions, as in the first stage, investments in such an employee is quite risky in terms of returning funds invested by the enterprise in its development.

The considered sequence of stages of the employee's life cycle is characteristic of its activity in the context of a particular enterprise and has a cyclic nature. When employee joins to another company, a new life cycle begins, the first stage of which is necessarily adaptation.

The beginning of a new phase of the employer's life cycle depends on the stage at which it was at the moment of dismissal from the previous company, and the amount of own labour experience accumulated.

But in our opinion, the life cycle of the person is determined by the length of completeness of the elements of its quality and the requirements of employers. The formation of personal qualities, as the first stage of a life cycle, is a very long and multifaceted process, culminating in professionalization, either in special professional educational institutions or outside of them (direct learning at the workplace, self-education). The use of personal qualities (second stage of the life cycle) usually lasts 2-2.5 times longer than professionalization - the first stage, and then (with the achievement of retirement age) is rapidly decreasing - the third stage, up to the disappearance of residual workability (fourth stage).

The results of our study are confirmed by the following studies. At the life cycle stage connected with the labour adaptation of the employee at a certain enterprise, it adapts to the new conditions of production and collective, and accepts corporate culture of the enterprise. In this period, the employee seeks professional development and has a high level of motivation for career growth, but does not yet know what ways it is possible to fulfil it at a particular enterprise (Jin-Feng et al., 2017).

## CONCLUSIONS

It should be noted that the form and type of incentives depends on the employee's life cycle. The zone of sustainable ability to work-the personnel is focused on professional growth and promotion; there is possibility to develop individual skills. Personnel who are not at the stage of reduction of ability of work are in need of material support after the loss of ability to work, the aging period - non-state pension provision by the employer, the presence of the sphere of social recreation and the possibility of health improvement at the enterprise. The zone of residual ability to work-motivation through social benefits. In addition to the age structure, the motivation of personnel depends on the article and family status. For example, women who have children under the age of 14 are interested in social incentive, such as granting maternity leave, possibility to work at home, and flexible schedules of work and vacations. Women and men with older children aged 14 to 23 prefer other incentive options, such as providing loans for education of children and company policy on family employment.

Consequently, the employee's life cycle is closely related to its professional experience at a particular enterprise. The beginning of a new phase of a life cycle depends on at what stage of the life cycle of the person it was at the moment of dismissal from its previous place of work, and the amount of accumulated own labour experience, which depends on the level of labour adaptation. The building of an effective mechanism of stimulation as the implementation of staff motivation for effective economic behaviour will allow the company to survive in today's crisis conditions.

## RECOMMENDATIONS

Based on the study results, we can give the following recommendations. The considered sequence of stages of the employee's life cycle is characteristic of its activity in the context of a particular enterprise and has a cyclic nature. When employee joins to another company, a new life cycle begins, the first stage of which is necessarily adaptation. The beginning of a new phase of the employer's life cycle depends on the stage at which it was at the moment of dismissal from the previous company, and the amount of own labour experience accumulated.

Gradual progress of the employee in the first four stages of the lifecycle is accompanied by a slow and gradual increase in wages, which is primarily due to the processes of qualitative changes in the professional qualification level of the employee and the increase of labour productivity. Such a dynamics of wages may be accompanied not only by professional but also by career growth within an enterprise.

The stage of reduction of professional fulfilment may be characterized by an increase or absence of growth rates of wages as a result of a decrease in labor productivity and productivity of an employee's work. At the same time, the loyalty of a highly qualified specialist to the company at any stage of the life cycle depends not only on the level of wages, but also on the existing conditions and the degree of fulfilment of the employee's competence.

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