

is un-  
services,  
health,  
ad of  
n and  
he life

ayini u  
ine in  
al bul-

(2015).

ayini u  
ine in  
al bul-

(2016).

ayini u  
ine in  
al bul-

(2017).

ayini u  
ine in  
al bul-



UDC 331.3.(479)

**Demydova Marija**

*Senior Lecturer*

*Dnipropetrovsk State Agrarian and Economic University*

## MOTIVATIONAL MANAGEMENT IN AGRICULTURAL ENTERPRISES

### Demydova M. Motivational Management in Agricultural Enterprises

**Abstract.** In this scientific article the main factors of stimulation of motivation of the personnel of agrarian enterprises in the control system are considered and determined. The algorithm of stages of the motivational mechanism of the personnel of the agro enterprise is presented. The necessity of introducing the considered motivation algorithm in order to obtain the corresponding results is indicated. It is emphasized that the effectiveness of the motivation is manifested through the productive work of the employees involved in the production process. The organizational mechanism of forming the motivation model for the personnel of agrarian enterprises is offered.

**Key words:** *motivation, agro enterprise, factor, personnel, management, system, mechanism, stimulation, agrarian sector, model, need, labor, efficiency.*

**Problem statement.** For successful functioning and management of agricultural business, agrarian enterprises use knowledge and skills of employees, intellectual and creative potential. Under these conditions, the key factor is motivation of labor, which ensures efficiency of production processes and increases role of motivational management.

Nowadays forms and methods of stimulation, which would contribute to high efficiency of labor, are hardly used in agricultural sector. Even material incentives as the main component of general system of motivation ceased to be the motive for labor and the basis for reproduction of labor. Therefore, there is a need for formation of motivational management that would best satisfy interests of different categories of workers in agrarian enterprises in the process of market transformation of agriculture and ultimately provided an increase in efficiency of agricultural labor.

**Analysis of researches and publications on the problem.** A lot of scientists are ac-

tively involved in the study of essence of motives and incentives to work in the agrarian sector. A lot of domestic scientists — economists, such as V. Andriychuk, T. Balanovska, S. Vasylychak, V. Heyets, I. Gnibidenko, V. Daniuk, V. Diesperov, S. Zanyuk, I. Kyrylenko, M. Kropyvko, Yu. Luzan, Yu. Lupenko, M. Malik, L. Mykhailova, V. Mesel-Veselyak, M. Orlatyy, V. Ryabokon, P. Sabluk, N. Tkachenko, M. Semykina, L. Shvab, S. Sheleshkova, O. Shpykuliak, O. Shpychak, V. Yurchyshyn, S. Yushyn, K. Yakuba and many others have made a significant contribution into the study of problems of motivational mechanisms as one of directions of development of economic activity of agricultural enterprises, increasing of their efficiency and stimulation of productivity of personnel. Despite certain achievements in solving this problem, results of studying specifics and stimulating labor motivation of agricultural enterprises in the context of motivational management are very relevant.

**The purpose of the study** is to consider and define the determinants of motivation

incentives for agricultural enterprises in the context of motivational management.

**Presentation of the main material.**

Changes that have occurred and continue to occur in the labor market in the agrarian sector, violation of the ratio between supply and demand of the labor force, integration into the international space stipulate the demand for rethinking modern labor motivation, which could not only provide a stable financial status of agribusinesses, but also influence positively on the stimulation of labor through satisfying the end-users of their work. If we evaluate modern approach to the problems of motivation, we will observe that in most cases these problems are solved just formally and only in the field of material motivation, that includes participation of the employee in the processes of agricultural production, has some positive changes.

Material incentives, wages, social guarantees, preferential lending and insurance play a decisive role in motivational management in a market economy. At the same time, motivation of employees of agrarian enterprises through the motivation of each employee involved in production processes needs to be controlled through a certain mechanism of improvement. In this case, it should be borne in mind that forms of labor motivation are characterized by their exhaustion, reaching a certain limit of effectiveness of motives to work. Therefore, it is important to take into account this particularity while defining the determinants of motivation. As it is proved, the person's incentive to work are his personal needs in material and other direction.

When motivational management is properly organized, employees of agrarian enterprises do not only self-realize their internal inquiries, but also satisfy their needs fully or partially. Each agrarian enterprise trying to retain skilled workers constantly increases the level of wages of employees, in particular permanent and certain important professions. This is a positive factor, but only an increase in

wages does not characterize the level of satisfaction of existing needs of employees in agrarian enterprises and introduction of motivational management. The analysis of many literary sources and familiarization with position of researchers of problems of motivation of labor in agrarian sector convinces that they often consider material incentives in the form of high wages as the main stimulus to work [1]. There is not enough reason to agree with this position. After all, results of the research indicate that personal interest of an employee occupies a leading place, which determines earnings as an incentive for work activity. Earnings and bonuses should stimulate the role of wages. At the same time, one of the priority problems of modern motivational systems in agrarian enterprises is to improve management of employee motivation or motivational management in our understanding and statement, which includes such important factors as organization of control over compliance with growth of efficiency of work of all categories.

The essence of motivational management in agribusinesses is to mobilize various forms and methods of employee motivation in order to increase labor productivity, efficiency of production and achieve final financial result of enterprises in general. In particular, the main generalization of economic indicator of an agrarian enterprise is profit, on which basis various material funds to stimulate quality and productive work of employees of this enterprise are formed. Altogether with the mentioned factors, the essence of methods of stimulating labor workers cannot be limited only by such financial factor as profit. Formation of motivational management is also influenced by other determinants of employee labor motivation (Table 1).

As we can see from the table, stimulation of workers' labor in an agrarian enterprise is a set of measures aimed at increasing profitability through a variety of motivational factors aimed at increasing effi-

Table 1

## The main backgrounds for formation of motivational management of agribusinesses

№	Classification of a background	Essence of a background
1.	Material	The need to have high wages, material rewards, a set of benefits and allowances. This need manifests a tendency towards changes in the process of working life; an increase in costs causes increasing the value of this need (eg, debt, new family obligations, additional or difficult financial obligations)
2.	Social	The need to improve educational and professional level, to provide proper medical care, to allocate permits for sanatorium and spa treatment, to assist administration in improving housing and communal conditions, if necessary. Creating necessary conditions for cultural recreation, sports. Organization of work of dining rooms, cafes. Assistance in allocation of preferential loans.
3.	Ethical	Acknowledgments, thanks, titles, popularization of labor achievements in media
4.	Structuring of work	The need for structured work, availability of feedback and information that would allow assessing the results of work, the need to reduce uncertainty and establish clear rules and guidelines for performance of tasks assigned to employees. This need can serve as an indicator of stress or anxiety, may increase or decrease when a person experiences significant changes in life or in the labor process.
4.	Social contacts, stable relationships	The need of social contacts, in communication with wide circle of people, the need in close relations with colleagues. It is an indicator of ensuring a normal psychological climate in the team.
6.	Recognition, desire for professional growth	The need to recognize merits and achievements of management, colleagues at work, desire to feel his/her own significance. Ambitious plans for professional growth.
7.	Creativity	Constant desire to think, analyze, be opened to new ideas, manifestations of curiosity, non-trivial thinking.
8.	Power and authority	The need in authority and power, desire to lead others; striving for competition and influence as well as achievement of career development (horizontally and vertically)

Source: compiled by the author based on his own researches.

ciency of quality of labor, its productivity of every hired employee in particular. Effectiveness of motivation is manifested through productive work of employees, engaged in the production process, who can qualitatively perform functions, assigned to them, that will lead to production of quality products. Such requirements are primarily the responsibility of employees with a sufficient level of professionalism. Therefore, managers of agro enterprises should create all necessary conditions for such employees and receive benefits from investing in highly skilled workers, their motivation and possibility of career growth.

To achieve the result both material and non-material forms of stimulation of employees should be used, which include the system of individualization of wages as well as various moral incentives in addition to the traditional ones. Thus, incentives for motivation should be considered more broadly using the possibility of acquiring a higher social status, such as career advancement, taking into account needs of employees in obtaining certain social benefits. The worker will perceive them as a moral incentive to work. Moral incentives can take on various forms: congratulations to holidays in the form of awarding valu-

able gifts, honoring the worker with a letter of credit, giving him gratitude, assigning a certain class or category [2].

Consequently, presence of a method of labor stimulation in motivational management is a complex process that works positively only if it is properly organized and takes into account age, gender, family status, social status and other factors of an employee. Incentives should always include certain costs of production, but these costs are covered by additional measures to improve quality and assortment of manufactured products, reducing cost of production. At the same time, nowadays agrarian enterprises often have low motivation for workers. In our opinion, it is caused by the following factors: a) the employee's uncertainty about the fact that his activity will lead to planned result in work, his achievements will become noticeable and will be awarded by management; b) low estimation of attractiveness of expected promotion; c) not enough insurance of material and social needs of workers.

Accordingly, head of agricultural enterprise can determine the main directions to increase the level of motivation of employees in the process of motivational management through understanding which problems are more significant and important. The expediency of analysis is to identify incentives in a particular organization and their division into incentives of material, intangible and mixed character. The assessment of real impact of these incentives on employees is usually carried out through a survey of staff, which criteria are indicated in the questionnaire, which lists the most significant incentives. Motivational management in agrarian enterprises should be formed by following stages:

At the first stage it is needed:

- 1) to determine necessity to improve motivation of labor at agro-enterprise;
- 2) to select the implementation object;

The second stage involves:

- 1) Analysis of job descriptions with the aim of studying the level of employee

responsibility and professional development opportunities;

- 2) Preparation of questionnaires in order to identify satisfaction needs;
- 3) Identification of existing incentive system at the agro-enterprise;

At the third stage it is necessary:

- 1) to assess the degree of employee satisfaction with existing incentive system through questionnaires;
- 2) to develop results and form incentive groups for specific categories of workers;

The fourth stage is final and implies:

- 1) Implementation of proposals into the work of agro-enterprise
- 2) Monitoring the effectiveness of implemented incentives

An effective system of motivating methods for employers of agrarian enterprises should include: firstly, a qualitative assessment of internal state of staff, especially those who wish to study; secondly, creation of «internal competition» while formation of personnel to identify individuals who wish to participate in corporate development; thirdly, allocation of candidates, improvement of socio-economic environment, dimensionality and visibility of results. Normal psychological climate in the team, business and trustful relationships between employees and specific leadership, possibility of career development, as well as increasing market value of employees are also of great importance [3].

The basis of motivational model confirms direct procedure for implementation of the process of management of personnel motivation at an agrarian enterprise with definition of persons responsible for its implementation, their status and functional purpose in the organizational structure of management, as well as financial side of implementation of the strategy of motivation. At the same time, it should be borne in mind that it is impossible to develop a template approach to motivating employees. That is why most theoreticians and management practitioners focus not

on design of a model of motivation that will be suitable for implementation at an agro enterprise, but on development and implementation of certain criteria, principles, rules of organization of motivation process, which can be controlled by managers to create the most favorable conditions for organizing the activity of personnel, and in case of harmonization of relations between the owner of the agro-enterprise — the staff — the employee in the direction of maximum satisfaction of interests.

The next stage of the analysis at the agrarian enterprise involves studying and analyzing the main factors of external and internal environment of this enterprise, which influence on the process of employees' motivation management, which will reveal probable obstacles to introduction of innovations, as well as potential management opportunities in improving motivation [4]. Implementation of motivational management requires optimization of organizational structure of management of agro-enterprises, including personnel management services.

Managers use a range of tangible and intangible methods of stimulating and encouraging employees to achieve organizational goals that require a financial basis for their implementation. Experience of for-

eign countries proves the necessity to use not only financial systems of motivation, such as formation and observance of corporate culture, team spirit, etc. Introduction of motivational management into the practice will become an effective step towards optimization of the system of motivation of employees of agricultural enterprises.

**Conclusions.** Nowadays there are enough ways and means to determine real economic effect of introducing motivational management into the practice of managing agrarian enterprises, which main content is expressed in the gradual reorientation of incentive system to achieve strategic goals of the agrarian enterprise. However, it is no coincidence that definition of strategic objectives of agri-business and development of incentive management should be preceded by the search and introduction of a new incentive system, based on assessment of competencies. Motivational management of agrarian enterprises is aimed at increasing efficiency of labor utilization of workers, increasing their productivity, improving their use in production process in order to achieve production of high-quality, competitive agrarian products with its subsequent realization at domestic and foreign markets.

#### REFERENCES:

1. Kushneryk O. V. (2013). *Suchasni metody motyvatsiyi pratsi personalu ta yikh vplyv na diyal'nist' pidpryyemstva* [Modern methods of motivation of the work of the personnel and their influence on the activity of the enterprise]. Rynok tsinnykh papieriv Ukrainy [Market of Securities of Ukraine]. Vol. 3–4. p. 33–37. [in Ukrainian].
2. Lyndyuk A. O., Nesterovych A. V. (2009). *Suchasni problemy motyvatsiyi sil's'kohospodars'koyi pratsi* [Modern Problems of Agricultural Labor Motivation]. Visnyk Sums'koho natsional'noho ahrarnoho universytetu. Seriya «Ekonomika ta menedzhment» [Visnyk of Sumy National Agrarian University. Series «Economics and Management»]. Sumy. SNAU. Vol. 4 (35). p. 20–26. [in Ukrainian].
3. Kushneryk O. V. (2013). *Otsinka motyvatsiyi pratsi personalu pidpryyemstv z pererobky sil's'kohospodars'koyi produktsiyi: innovatsiyinyy pidkbid* [Assessment of labor motivation of personnel of agricultural products processing enterprises: innovative approach]. Investytsiyi: praktyka ta dosvid [Investments: practice and experience]. Vol. 22. p. 93–97.
4. Petrova I. (2014). *Oplata pratsi v motyvatsiyinyy systemi suchasnoho pidpryyemstva* [Payment of labor in the motivational system of a modern enterprise]. Ukrainina: aspekty pratsi [Ukraine: aspects of labor]. Vol. 4. p. 22–26.
5. Bakulina O. S. (2012). *Suchasni problemy motyvatsiyi personalu sil's'kohospodars'kykh pidpryyemstv* [Modern problems of motivation of personnel of agricultural enterprises]. Rol' nauky u pidvyshchenni tekhnolohichnoho rivnya i efektyvnosti APK Ukrainy [The role of science in improving the technological level and efficiency of Ukrainian agro-industrial complex]: 2-ha vseukrains'ka naukovaprakt konferenciya z mizhnarodnoyu uchastyu (16–18 september 2012 r.). Ternopil'. Krok. p. 236–238. [in Ukrainian].