Labour Economics and Human Resource Management

Original article
UDC 331.1
DOI: https://doi.org/10.17308/econ.2024.2/11845
JEL: A10; H11

Reproduction of organisation’s labour resources

O. A. Kolesnikova1*, O. A. Zenkova2, N. I. Khromov3

1 Voronezh State University, 1 University sq., 394018, Voronezh, Russian Federation; Voronezh Institute of High Technologies, 73a Lenina str., 394043, Voronezh, Russian Federation
2 Voronezh State University, 1 University sq., 394018, Voronezh, Russian Federation
3 Donetsk National University, 24 Universitetskaya str., 283001, Donetsk, Russian Federation

The subject of the study is the reproduction of labour resources of organisations. The problem was recognised in scientific literature, but has not been thoroughly studied yet.

The purpose of our study was to elaborate the definition of the term “organisation’s labour resources” and consider the specifics of their reproduction.

Methodology. In our study, we used the methods of comprehensive theoretical analysis, interpretation, and comparison of the analysed terms, and methods of statistical processing and the graphical interpretation of data. The basis of the information for the study were studies on the theoretical and practical aspects of the use of labour resources and labour force, the statistical data regarding their number and structure, methodological materials, and the latest research into the problem.

Results. The article suggests a definition of the term “organisation’s labour resources” as a total of the owners of production means and hired workers who have certain legal relations with the organisation, pursue their own interests and use their professional skills to perform the labour activities required by the organisation within the framework of the existing motivation system. The article considers the existing types of reproduction of labour resources corresponding to the stages of the life cycle of organisations and sources formation of labour resources. The actual and potential components of labour resources were identified. The article also explains the effect of motivation on the effectiveness of the use of labour resources by organisations.

Key words: labour resources, personnel, organisation, reproduction, life cycle, motivation.


* This work is licensed under a Creative Commons Attribution 4.0 International License

https://journals.vsu.ru/econ
Introduction

The concept of an organisation’s labour resources is still a matter of debate in Russian economics. For quite a long time, experts believed labour resources to be a territorial aspect of social and economic life. They defined the term as “the maximum number of people living within a particular territory and able to participate in labour activities” (Murashkina, 2017). Therefore, it is practical to divide labour resources into the country’s labour resources, a region’s labour resources, a city’s labour resources, etc.

The category has been used since the Soviet era to characterise the economic potential of the country and its regions (Kosyakov, 1970; Kostina, 1979). With regard to organisations, a different term, aggregate labour force, was used, which is currently outdated. In 1993, Russia started using an international approach to the qualification of the population’s composition based on the notions of economically active and inactive population. In 2015, in accordance with international standards, the labour statistics in Russia stopped using the term labour resources, as well as the terms economically active and economically inactive population. Instead, new terms were introduced, the labour force and people outside the labour force.

Unfortunately, the rejection of the national economic tradition and the corresponding terms had a negative impact on the estimation, use, and monitoring of the amount and sources of the labour force, which is Russia’s greatest and most important resource. It includes the total of actual and potential workers and their physical and intellectual abilities. This resource is gradually becoming the limiting factor for the country and many of its regions. Therefore, it is strategically important to develop a correct scientific and methodological approach to defining the concept of labour resources and once again make it a basic socio-economic category.

In the past decade, another term, labour resources of organisations, has been widely used. This approach appears practical, because besides the economic resources, organisations use other types of resources, including labour resources. They are different from other types of resources (material resources, financial resources, information, technological resources, and time) in that the resource are living people who deliberately use their abilities according to their own interests and, to a certain degree, to the interests of the society.

As of the beginning of 2021, there were 3345.1 thousand organisations in Russia. In 2023 their number reduced by 4.4% to 319,754,2, with the dominating share being private organisations (Table 1).

According to the Russian Federal State Statistics Service, the average annual number of people employed by organisations in 2021 was 43 million (57.0% of the labour force), including 39.0% employed by public and municipal organisations and 49.4% employed by private organisations. Allowing for certain inaccuracies in the published data, the share of people employed by organisations in Russia is 62.5% of the total population and slightly over 47% of its labour resources.

The purpose of our study was to elaborate the term organisation’s labour resources and consider the reproduction aspect, which has not yet been studied.

<table>
<thead>
<tr>
<th>Table 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisations in Russia in 2021 according to the form of ownership</td>
</tr>
</tbody>
</table>

| Total, thousand | Including |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| | public | municipal | private | other |  |
| thousand | % | thousand | % | thousand | % | thousand | % |
| 3345.1 | 89.6 | 2.7 | 177.5 | 5.3 | 2824.3 | 84.7 | 255.8 | 7.3 |

**Materials and methods**

The basis of information for the study were works published by Russian and international scholars on the theory and methodology of formation and the practice of application of labour resources and the labour force, as well as the statistics regarding their number and composition, methodological literature, and most recent theoretical and practical studies on the problem.

In our study, we performed a comprehensive theoretical analysis, interpretation, and comparison of the terms associated with the considered problem from the point of view of related scientific disciplines: economic theory, labour economics, demography, social studies, etc. Statistical methods of data processing and graphical interpretation were also used.

An analysis of the existing literature (Gorbunova, 2011; Afanaseva, 2015; Savenkov, 2012; Zvereva & Khorina, 2021) demonstrated that there is no unified approach to the definition of the term organisation’s labour resources. Therefore, we considered the definitions most commonly used by Russian scholars and the evolution of the term labour resources (Table 2).

It is obvious that the analysed term evolved and the definitions were elaborated depending on the changes in the socio-economic system. For the planned economy of the USSR, it was important to analyse labour resources with regard to planning and surveying the human resources required for the development of the productive forces. It was important to differentiate between labour resources and the labour force and identify their actual and potential components. The transition to a mixed economy made it vital to conform to international methodologies of defining and estimating labour resources.

The term labour resources started to be used as applied to organisations at the turn of the 21st century. At that moment, it was necessary to differentiate between labour resources, personnel, manpower, and human resources.

<table>
<thead>
<tr>
<th>Definition</th>
<th>Reference</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working-age population with the required level of physical and intellectual abilities and knowledge</td>
<td>Strumilin (1922)</td>
<td>The term was used as an operational planning category to characterise the labour potential of the country</td>
</tr>
<tr>
<td>The number of potential and active members of the labour force</td>
<td>Kosyakov (1970); Kasimovsky (1975)</td>
<td>Economic category. Working population</td>
</tr>
<tr>
<td>Overall labour resources including labour resources proper (employed and unemployed population) and military personnel</td>
<td>Kostina (1979)</td>
<td>A part of the productive forces of the society. Does not include unproductive labour</td>
</tr>
<tr>
<td>Working population employed in public economy and self-employment regardless of the age; includes active and passive components</td>
<td>Kudryavtseva (2012)</td>
<td>A modern quantitative and qualitative definition</td>
</tr>
<tr>
<td>Labour resources of organisations are specially trained employees on the payroll, owners, and co-owners</td>
<td>Kolesnikova et al. (2022)</td>
<td>Includes the ownership criterion and qualification requirements</td>
</tr>
</tbody>
</table>
Labour resources are currently considered to be part of human resources, the latter being a broader concept. However, the difference between labour resources, personnel, and manpower is still to be elaborated.

**Results**

We believe that the most objective and comprehensive definition of organisation’s labour resources is the following: labour resources of an organisation are the total number of employees on the payroll belonging to various job groups and having various qualification levels (Azizi et al., 2021).

However, it appears to be merely a broader definition of the term personnel, because the structural and quantitative aspects of both categories are described by the number of working-age employees with a set of physical, intellectual, and spiritual characteristics. The difference between these categories is that the labour resources of an organisation characterise its potential economic efficiency, whose degree may vary.

As applied to individual companies, the term labour resources is closely connected with the term personnel. From this point of view, personnel is a microlevel part of the labour resources of society used by a particular organisation.

Labour resources of organisations are different

a) from other levels (macro-, meso-) of labour resources in that they have:

- different structural elements (only employed working-age individuals). Unemployed individuals (displaced, resigned, etc.) are no longer considered a part of the organisation’s labour resources, as they join the external labour resources of society or move on to the non-working group;

- a different type of social and economic relationships both within the organisation and with the environment;

b) form other types of resources of organisations. This resource includes living people who own the resource. Therefore, they engage in the labour process deliberately and on a voluntary basis and can easily change their employer. Their work effort can be characterised by various results and thus requires motivation. Depending on a particular organisation’s role in the labour and production processes and their type of involvement, labour resources can be divided into the following groups:

- employers, who can also be the owners of production means and capital, interested in the results of the labour process and revenues;

- salaried employees. Company managers can also be high-level employees.

Based on the above, we suggest the following definition of the term in question: labour resources of an organisation are the sum of the owners of production means and hired workers, who have certain legal relations with the organisation, pursue their own interests and use their professional skills to perform labour activities required by the organisation within the framework of the existing motivation system.

Given in italics are the aspects characterising the specifics of labour resources of organisations not mentioned in other definitions that we are aware of. The degree of motivation and therefore the implementation of the potential of labour resources determine the production growth rate and performance, the quality of the product, and the success of the organisation.

Labour resources of organisations are involved in the reproduction process, which is a “continuous cyclic process in the form of formal (employer – employee) and informal (employer – job applicants) labour relations regarding the production, distribution, redistribution, and use (consumption) of the employees’ and/or job applicants’ ability to work (Glaz, 2012). The types of reproduction existing on the macrolevel are also applicable to individual organisations.

The reproduction of labour resources of organisations, in the same way as in the society,
is based on a large number of factors. However, it has its own specifics:

- the most basic are demographic factors that ensure the number of workers of a particular sex, age, and qualifications (Durakova & Mayer, 2021; Durakova et al., 2023). This is a source of personnel for organisations;
- when society cannot provide organisations with enough labour resources;
- they generate a demand for migrant labour (both within the country and internationally). Organisations seek to become attractive to migrants and thus indirectly affect the country’s migration policy;
- technical and technological factors determine the qualitative structure of the demand for labour and thus the structure of the education system. They also determine the level of productivity in the organisation and, indirectly, in society in general;
- the education factor ensures the qualitative component of labour resources of organisations. Organisations form a demand for employees, thus determining the scope and structure of professional training programmes at state and commercial education institutions. In cases of large-scale production, an increased labour demand by an organisation is met by: a) hiring additional personnel available on the labour market and b) training personnel on site or at education institutions;
- socio-economic factors affect the reproduction of labour resources by means of remunerating and stimulating the employees. The organisation can stimulate its employees in two ways: a) by providing employees with a subsistence fund and amenities, and maintaining a certain living standard and b) by means of employee motivation that determines the labour behaviour of certain employees and groups of employees.

The revenue of the organisation and the way it is used determine the type and quantitative limits of the reproduction of labour resources: simple, expanded, or contracted.

Simple reproduction involves maintaining the balance and stability in the main areas of the organisation’s activities. With regard to labour resources, simple reproduction means maintaining the same number of workers with specific qualification levels. Expanded reproduction means development. In our case, it means a growing number of workers and/or improving their qualification levels. For some organisations this kind of development may go the opposite way, i.e., in the form of crises and regression. The organisation’s life cycle represented by certain stages (foundation, intensive growth, stable operation, decline, restoration or liquidation, Figure1)

1 Names of the stages may vary; life cycles may vary depending on the organisation.
Reproduction of organisation’s labour resources
taking place over time can also be considered with regard to simple or expanded reproduction (Sopilko & Usbui, 2022; Dubrovsky & Nozdrina, 2022).

For each stage of the life cycle or a particular situation, a specific personnel strategy (goal-setting) and policy are developed (Table 3).

As a rule, there is a dependence between the stages of the life cycle of the organisation and the type of labour resources reproduction corresponding to these stages (Savin & Letyagin, 2022). Thus, the stages of the formation and distribution of labour resources correspond to the simple type of reproduction, which involves extensive quantitative consumption of the labour force.

The development and maturity stages allow for the expanded reproduction of labour resources ensured by both the quantitative (extensive) and qualitative (intensive) use of the labour force. The transition rate from the simple to the expanded reproduction of labour resources and the combination of their features depend on the specifics of every organisation (some organisations increase the number of employees while others invest in the qualitative improvement of the personnel).

Some scholars (Kolesnikova et al.; Shitova et al., 2020) point out that labour resources of organisations, the country in general, and its regions have two components, actual and potential. The source of both components are external labour resources (the resources of the society). The actual component includes employed workers (personnel) and the potential component includes labour reserves, primarily job applicants. Labour reserves are a part of labour resources. Therefore, at any stage, labour resources include both the employed population (actual labour resources) and the people in the labour reserve (potential labour resources). Both components are mobile and to a certain degree interchangeable. Both are important, but the people in the labour reserve need to be trained.

Organisations obtain labour resources (personnel, manpower – any term applies in this case) from the following sources:

– external sources: hiring people available on the labour market with the required qualification levels (unemployed, job-seekers, university graduates, migrants, etc.). This is the main source of manpower;

<table>
<thead>
<tr>
<th>Stages</th>
<th>Main objective</th>
<th>Specifics</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Foundation</td>
<td>To survive, enter the market, and harness new technologies</td>
<td>The organisation is managed by a single person</td>
</tr>
<tr>
<td>2. Early stage of development</td>
<td>Fast growth, leadership in the market, revenues</td>
<td>Hard management</td>
</tr>
<tr>
<td>3. Development/growth</td>
<td>Systematic balanced growth, development of a corporate identity</td>
<td>Professional managers, introduction of bureaucracy</td>
</tr>
<tr>
<td>4. Maturity/stagnation</td>
<td>Retaining the obtained position</td>
<td>Staff turnover, lack of young specialists, a high degree of bureaucracy</td>
</tr>
<tr>
<td>5. Restoration or liquidation</td>
<td>Reviving the business through innovations, community spirit, changes in the management structure, etc.</td>
<td>A new leader capable of restructuring the management system. If there is no such leader, the organisation stops to exist</td>
</tr>
</tbody>
</table>
– internal sources: a) effective use and redistribution of the organisation’s personnel; b) improving the performance based on technical and technological factors; c) improving the organisation and motivation of labour; d) displacement of personnel as a result of reduced demand due to improved performance and/or increased labour intensity; e) combining of professions, retraining, mentoring, etc.;

– direct allocation of trained job-seekers (for instance, allocation of university graduates, or assigning unemployed people to particular jobs), new forms of labour cooperation (outsourcing – purchasing of services from an external provider; outstaffing – hiring staff from external organisations; staff leasing, etc.).

Job applicants (job-seekers) are a potential component of labour resources of the organisation and participate in the reproduction process during the stage of formation of the labour resources.

The actual component of the labour resources of the organisation includes: a) employees on the payroll and b) other employees not included in the permanent staff list. During the use of labour resources, actual and potential employees can interact, if the organisation hires additional employees or provides for the qualitative growth of the personnel.

For the actual component, the key factors are retaining the employees (simple reproduction) and development of employees, i. e. further professional training, professional and career growth (expanded reproduction). For potential workers the stage of consumption of their labour involves being hired by the organisation, preferably while retaining their social status. However, newly hired employees occasionally have to agree to a lower social status and salary.

Another important issue is the one raised by Yu. A. Glaz (2012), the potential risks of using labour resources by organisations. We agree with the suggestion that organisations have all the rights to use the results produced by their labour resources. However, organisations possess the results of development of their labour resources only partially and only during the period they employ a particular worker. This means that the development (improvement of qualitative characteristics) of labour resources is accompanied with a risk factor for organisations. For instance, the expenses of the organisation on further professional training of an employee (professional training, professional retraining, new labour technologies, etc.) may not be fully covered, if the employee chooses to terminate their contract, which happens not infrequently. However, organisations have to take the risk and take measures to cover the expenses, including by saving costs by means of lower salaries.

The current shortage of personnel, on the contrary, encourages organisations to invest more in the development of qualitative characteristics of their labour resources and raise salaries and wages, which helps them to meet the demand for expanded reproduction. Obviously, there are economic limitations to this growth of necessary expenses.

The rate and forms of transition from simple to expanded reproduction of labour resources are specific for every particular organisation and depend on its investment opportunities, investment activities, the stage of the life cycle, effectiveness, the personnel strategy and policy, and the specifics of the formation and use of labour resources.

Despite the challenging social and economic situation, investment activities in Russia are growing2. Following the crisis, the volume of investments increased by 10 % in the first three quarters of 2023. The share of companies’ own investments grew from 54.1 % to 57.5 %. The average nominal wages in 2023 grew two times faster than the

---

2 Distribution of investments in Russia over three quarters of 2023. URL: https://www.kommersant.ru/doc/6380591
Reproduction of organisation’s labour resources

inflation rate (by 15% in the first nine months of the year). This presents opportunities for expanded reproduction in organisations, job creation, and a reduction in staff shortage (Kolesnikova et al., 2023).

Conclusions

The study allowed us to get a better understanding of a new category for Russian economics, namely organisation’s labour resources, which is often identified with labour force, personnel, manpower, etc.

As a result of the study, we elaborated the definition of the term based on the analysis of the specific features of the category and its difference from similar categories. We determined the difference of this category from other types of labour resources and other types of resources used by organisations. The most important difference is that the owners of the resource are living people. Hence, the effectiveness of labour activities and performance of organisations depend on their motivation to utilise the labour resources. This makes motivation especially important and practically vital as opposed to just a remuneration system.

The article also considers the idea of additional risk associated with the need of additional expenses on improving the quantitative characteristics of labour resources and their motivation. Our analysis demonstrated that in the current challenging environment, employers and other investors are ready to take these justified risks.

The scientific novelty of the study lies in the investigation of the reproduction process of the labour resources of organisations. This issue has not been thoroughly studied yet. The article demonstrates that any type of reproduction is applicable to the labour resources of organisations. The reproduction types correspond to the stages of the life cycle of a particular organisation. The rate and degree of reproduction depend on many factors. Therefore, we discussed the role of the main groups of factors in the reproduction processes. We determined the sources and methods of the formation of labour resources of organisations during simple and expanded reproduction.

The article suggests that the reproduction of labour resources on any level, including the organisational, includes three components:

– quantitative (hiring a required number of workers);
– qualitative (hiring personnel of a particular sex, age, qualifications and experience);
– retaining and development of the labour force of employed workers, i.e. their ability to work, for which a special subsistence fund is required.

It is both theoretically and practically important to differentiate between the actual and potential components of labour resources of organisations, which can have a significant impact on the effectiveness of labour and production processes.

Conflict of Interest

The authors declare the absence of obvious and potential conflicts of interest related to the publication of this article.

References


**Olga A. Kolesnikova**, Dr. Sci. (Econ.), Full Prof., Voronezh State University, Voronezh Institute of High Technologies, Voronezh, Russian Federation

E-mail: oakolesnikova@mail.ru

ORCID ID: 0000-0002-0044-1530
Reproduction of organisation’s labour resources

Olesia A. Zenkova, Cand. Sci. (Econ.), Assist. Prof., Voronezh State University, Voronezh, Russian Federation
  E-mail: radiant_olesia@mail.ru
  ORCID ID: 0000-0002-6285-6969

Nikolay I. Khromov, Dr. Sci. (Econ.), Assoc. Prof., Donetsk State University, Donetsk, Russian Federation
  E-mail: nkhromov@bk.ru
  ORCID ID: 0009-0004-7350-4119

Received 29.12.2023
Accepted 29.01.2024
Экономика труда и управление персоналом

Научная статья
УДК 331.1
DOI: https://doi.org/10.17308/econ.2024.2/11845
JEL: A10; H11

Трудовые ресурсы организации: воспроизводственный аспект

О. А. Колесникова1, О. А. Зенкова2, Н. И. Хромов3

1 Воронежский государственный университет, Университетская пл., 1, 394018, Воронеж, Российская Федерация;
Воронежский институт высоких технологий, ул. Ленина, 73а, 394043, Воронеж, Российская Федерация
2 Воронежский государственный университет, Университетская пл., 1, 394018, Воронеж, Российская Федерация
3 Донецкий государственный университет, ул. Университетская, 24, 283001, Донецк, Российская Федерация

Предметом исследования в данной статье является рассмотрение воспроизводственного аспекта применительно к трудовым ресурсам организаций. Данная проблема лишь слегка обозначена в экономической литературе и не получила должного развития.

Цель работы является уточнение и развитие трактовки категории “трудовые ресурсы организации” и рассмотрение содержания и особенностей ее воспроизводственного аспекта.

Методология. В работе использованы методы комплексного теоретического анализа и сравнительной интерпретации рассматриваемых понятий, методы статистической обработки данных и их графической интерпретации. Информационной базой исследования послужили публикации по научно-теоретической и практической проблематике использования категорий трудовых ресурсов и рабочей силы, статистические данные об их численности и структуре, методические материалы, авторские исследования.

Результаты. В статье дана авторская трактовка категории “трудовые ресурсы организации” как совокупности занятых в ней собственников средств производства и наемных работников, состоящих с организацией в определенных правовых отношениях и реализующих свои интересы и профессиональные способности в соответствии с действующей системой мотивации, обоснованы ее особенности. Рассмотрены функционирующие в организациях типы воспроизводства трудовых ресурсов в увязке со стадиями жизненного цикла организации и источниками формирования трудовых ресурсов. Выделены фактическая и потенциальная составляющие трудовых ресурсов. Обосновано влияние мотивации труда на реализацию различных возможностей обеспечения эффективности использования трудовых ресурсов организаций.

Ключевые слова: трудовые ресурсы, персонал, организация, воспроизводство, жизненный цикл, мотивация.


© Колосникова О. А., Зенкова О. А., Хромов Н. И., 2024
© Материал доступен на условиях лицензии CC BY 4.0

https://journals.vsu.ru/econ
Конфликт интересов

Авторы декларируют отсутствие явных и потенциальных конфликтов интересов, связанных с публикацией настоящей статьи.

Колесникова Ольга Андреевна, д-р экон. наук, профессор, Воронежский государственный университет, Воронежский институт высоких технологий, Воронеж, Российская Федерация
E-mail: oakolesnikova@mail.ru
ORCID ID: 0000-0002-0044-1530

Зенкова Оlesia Андреевна, канд. экон. наук, старший преподаватель, Воронежский государственный университет, Воронеж, Российская Федерация
E-mail: radiant_olesia@mail.ru
ORCID ID: 0000-0002-6285-6969

Хромов Николай Иванович, д-р экон. наук, доцент, Донецкий государственный университет, Донецк, Российская Федерация
E-mail: nkhromov@bk.ru
ORCID ID: 0009-0004-7350-4119

Поступила в редакцию 29.12.2023
Подписана в печать 29.01.2024