

To cite this paper:

Karyakin, A.; Mastalygin, A.; Sverchkov, A. (2023) Current problems of the financial incentive systems development at russian enterprises. *Human Progress*. 9 (1): 26. URL: http://progress-human.com/images/2023/Tom9_1/Karyakin.pdf. DOI 10.34709/IM.191.26. EDN TGAWEW.

CURRENT PROBLEMS OF THE FINANCIAL INCENTIVE SYSTEMS DEVELOPMENT AT RUSSIAN ENTERPRISES

Alexander Karyakin

Doctor of Economics, Professor, Dean of the Economics and Management Faculty
Ivanovo State Power University named after V.I. Lenin
Ivanovo, Russian Federation

Aleksei Mastalygin

Graduate student of Ivanovo State Power University named after V.I. Lenin
Ivanovo, Russian Federation

Alexander Sverchkov

Graduate student of Ivanovo State Power University named after V.I. Lenin
Ivanovo, Russian Federation

Abstract. It is difficult to overestimate the incentives system role in the motivating employees processes for efficient and productive work. However, innovations in the monetary incentives do not always give the expected result. The problem often lies in the ill-conceived management actions, sometimes this is due to the Russian reality specifics. The relevance of the article lies in the fact that the main problems that arise when transferring foreign approaches to Russian enterprises are identified, based on the Russian business experience and the study of foreign trends in the field of wages. The authors studied the experience of applying the following methods of monetary incentives: increasing the share of the variable part in the employee's total income, using the Hay-systems method (grading method), using the Scanlon and Rucker incentive system, building remuneration based on the KPI achievement, and also the use of the "menu" or "buffet" system, when the employee himself can choose benefits. For each of these methods, the article presents the advantages and the most common management errors and / or problems that arise during the system implementation.

Keywords: financial incentives; wage systems; Hay-system; KPI systems; Rucker plan; Scanlon plan.

JEL codes: J30; J33.

References

1. Karyakin, A.M.; Terekhova, N.R. (2005) Modern trends in wages at the enterprise. Ivanovo: Ivanovo State Energy University.
2. Shekshnya, S.V. (2002) Personnel management of a modern organization. Moscow: "Intel-Synthesis".
3. Karyakin, A.M. (1998) Improving the management of enterprises in the field of science-intensive production and innovation based on the concept of work teams. Ivanovo: Ivanovo State Energy University.
4. Bazarov, T.Yu. (2010) Personnel Management. M.: "Academy".
5. Gowen, III C.R. (1991) Gainsharing programs: An overview of history and research // Journal of Organizational Behavior Management. Vol. 11. No. 2. P.: 77-100.
6. Karyakin, A.M.; Tarasova, A.S.; Grebenshchikov, A.A. (2018) Development of a grading method for material incentives in marketing energy companies // Bulletin of IGEU. No. 1. P.: 65-75.
7. Skenes, C.; Kleiner, B.H. (2003) The HAY System of compensation // Management Research News.
8. EL-Hajji M.A. (2015) The Hay system of job evaluation: a critical analysis // Journal of Human Re-sources. Vol. 3. No. 1. P.: 1-22.
9. Vetluzhskikh, E. (2008) Remuneration system. How to develop goals and KPIs. Moscow: Alpina Publisher.
10. Zhemchugov, A.M.; Zhemchugov, M.K. (2015) Creation of an effective system of key KPI indicators // Problems of Economics and Management. No. 6. P.: 7-23.
11. Parmenter D. (2015) Key performance indicators: developing, implementing, and using winning KPIs. John Wiley & Sons,
12. O'Dell, C. (1981) Gainsharing: Involvement, Incentive and Productivity. USA. new york. AMA-COM.
13. Xu, X.; Cui, Y. (2010) Research on Flexibility Benefits Policy of Enterprise / International Conference on Management and Service Science. Wuhan, China. P.: 1-4. DOI: 10.1109/ICMSS.2010.5578083.

Contact

Alexander Karyakin

Ivanovo State Power University named after V.I. Lenin
34, Rabfakovskaya str., 153003, Ivanovo, Russia
karal54321@yandex.ru

Aleksei Mastalygin
Ivanovo State Power University named after V.I. Lenin
34, Rabfakovskaya str., 153003, Ivanovo, Russia
alexey.mastalygin@gmail.com

Alexander Sverchkov
Ivanovo State Power University named after V.I. Lenin
34, Rabfakovskaya str., 153003, Ivanovo, Russia
sverchkov@schtandart.com