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METHODS FOR STAFF COSTS OPTIMIZATION TO IMPROVE THE METALLURGICAL ENTERPRISE EFFICIENCY

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Abstract. The article presents the results of testing an algorithm for analyzing and assessing the staff costs effectiveness. Staff costs share is significant in the production cost, therefore, continuous analysis of their adequacy and timely optimization, as well as current staff costs management, are necessary, which contributes to the strategic objectives implementation and the enterprise competitiveness increasing. The results of the analysis made it possible to transpose the existing two groups of methods for reducing staff costs relative to the current enterprise's state and identify the most rational ones for the organizational conditions. Specific optimization methods can be divided into two groups: the first group is actions performed to obtain a quick effect; the second group is aimed at obtaining a long-term sustainable result in reducing staff costs. The authors believe that in turbulence conditions, ongoing changes and the impossibility of using long-term technologies for strategic planning and staff cost management, methods and tools that allow solving current production problems quickly are important. Proposed methods for optimizing staff costs, such as the introduction of organizational efficiency initiatives based on the rational methods for organizing labor and production processes usage, the set of measures introduction for technical re-equipment, the automation tools and proposals' introduction put forward by enterprise employees within the system of continuous improvements. These areas will lead to changes in performance indicators and real economic benefits; payments for seniority will contribute to increased employee engagement and loyalty.

Keywords: staff; cost optimization; cost reduction methods; metallurgical enterprise; cost efficiency.

JEL codes: M52; J24.

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