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Labor Productivity as A Developing Indicator

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Abstract: At the level of enterprises and their large divisions, as in economic sectors, the value method is mainly used to measure the volumes of production and labor productivity. The article discusses technologies for using the intellectual properties of labor resources that correspond to today's realities of economic development. Currently, increasing labor productivity is manifested in the more effective development and use of human resources, especially their intellectual properties. In this regard, it is necessary to form, develop and implement modern technologies for the use of intellectual resources in order to increase labor productivity in the conditions of digitization of all spheres of activity.

Keywords: Teamwork; digital work; labor productivity; scope of work; product quality.

Introduction: The problem of measuring labor productivity is somewhat more complicated than determining the essence of this economic category. In practice, various methods are used to measure the growth of labor productivity and production. The use of one or another method depends, firstly, on the level of measurement of labor productivity, and secondly, on what task is faced by the economic service that performs the calculation.

METHODOLOGY

It is possible to specify separate jobs that produce the same product according to the level of labor productivity measurement. In this case, it is appropriate to use the natural (natural) method of determining the volume of the produced product and production norms (pieces, tons, cubic or square meters, etc.). Although this method is simple, convenient and reliable, it is used only in workplaces where the same product is produced, so it is used less in practice. The natural method can be used only in this case if the same product is produced in the units and sections of the enterprise:

A variant of the natural method is the conditional-natural method, in which the volume of work is considered in a conditional unit of the same product. For example, wagons of different sizes, cans of different sizes into conditional cans, different shoes into conditional pairs. Conversion to conventional measurements is usually done using coefficients of conversion units [1].

Conditional natural method is convenient to use, because with the help of conversion coefficients of many different goods, services, production can be made comparable. For example, the cost of selling flour, bread and pasta products can be expressed by converting bread products into conditional kilograms.

Another common way to measure labor productivity is a work method.

When measuring labor productivity by the labor method, the normative time for the production of a product unit or the sale of a product unit is used.

The advantage of the labor method is that it can be applied to all types of work and services. However, the wide use of this method requires time regulations for each type of work, which are not always available. This method cannot be used to calculate the productivity of working employees, because time standards are not applied to them.

Productivity measurement also has a number of shortcomings (norms are not sufficiently substantiated, they are not equally serious, they are often revised, etc.), which does not allow an objective assessment of the level and growth of labor productivity even in some workplaces and teams.

Labor productivity is affected by the workload of the work. Employment is an indicator that reflects live labor costs and it is expressed in work time, product production (services). Labor is usually measured in standard hours (actual hours), which is the time spent completing a unit of work.

At the level of enterprises and their large divisions, as in economic sectors, the value method is mainly used to measure the volumes of production and labor productivity. The value method is a universal method, which expresses all types and volumes of products, works and services in sums, which are the only monetary indicators, which are determined by multiplying the volume indicators by the corresponding wholesale prices.

The value method of measuring labor productivity makes it possible to compare the labor productivity of employees with different professions and qualifications, for example, the labor productivity of a confectioner and a baker, a plumber and a driver. However, despite the fact that this method seems to be a universal method, it also has several disadvantages. In particular, it is more influenced by the price factor, that is, market conditions and inflation [2].

All three methods of measuring labor productivity have their advantages as well as various disadvantages. They can be seen in the table below:

RESULTS

The value method of measuring production volumes and labor productivity is somewhat complicated. The most optimal method can be chosen based on certain conditions. The most commonly used method of measuring production volumes is gross, merchandise and products sold indicators. Thus, it seems that the most accurate results are obtained when the rate of production is determined by gross output. However, in the conditions of a market economy, it is much more important to calculate productivity by the volume of products sold, since the increase in unfinished production and the accumulation of unsold product residues do not have a positive economic value. The disadvantage of measuring the volumes and rates of production of gross goods and goods sold is that wholesale prices include the value of all material costs. Any increase in material costs (be it more expensive material) or delivery and sale of products in cooperation with other enterprises, regardless of gives an idea of increasing labor productivity. A decrease in the material capacity - it gives rise to the idea of a decrease in this indicator.

Additional measurement methods are used to eliminate the negative impact of the change in material capacity on the volume indicator of the manufactured product and the product production rate in the measurement of labor productivity: conditional net, normative net product and normative value methods in processing are applied. The use of these methods completely or partially eliminates the negative effects of material capacity changes. Nevertheless, each of them has its own shortcomings, and in fact, none of them fully meets the requirements of the market economy.

In the indicator of conditional net product, which is used to determine labor productivity in the value method, the direct costs of raw materials, components, energy, fuel, etc. are deducted from the value of the gross product. At the same time, wages, depreciation of fixed assets and profit are not deducted from this figure. Here, the change in material costs is eliminated, but the weight of profit and the weight of depreciation increases. Their change can slightly falsify the indicators of production volume and labor productivity.

The net product indicator used to determine labor productivity is calculated by subtracting all material

costs, including depreciation, from the value of the gross product. In the calculation of costs and labor productivity, the distorting effect of previous labor costs is completely eliminated, but the weight of profit is seriously increased. Therefore, in the conditions of different types of profit, it is profit that plays the main role in falsifying indicators of net product and labor productivity. Suffice it to say that the diversity of profits is typical for the economy of our country, and it developed within the framework of centralized planning during the rule of the Soviets. It did not follow the existing equation of the average rate of profit and value. Many foreign countries consider the net product method to be perfectly acceptable for determining product volumes and labor productivity, due to the lack of significant differences in profit levels [3].

However, even in countries with a settled market economy, the net product indicator has a greater impact on price fluctuations than the commodity or gross product indicators.

labor productivity, unlike the net product indicator, includes nominal wages and wages added to it, as well as average industry profit. Due to this, the product ends up providing different benefits of different types. There are certain difficulties and shortcomings in the experience of using this method. First of all, there is a need to create a system of integrated wage regulations parallel to the system of wholesale prices for all types of products. Although this does not cause difficulties in mass production, serious difficulties arise in the conditions of production of grains and small series and frequent changes of product nomenclature in them. Secondly, in the development of the wage norms, which form the basis of the normative net product, there was a tendency to increase these norms. This led to a relative increase in labor consumption, and therefore to a slowdown in labor productivity growth. Thirdly, the normative net product indicator of productivity is weakly connected with the final financial results of the enterprises: it is possible to have an indicator of the volume of product production and labor productivity. But it may not be profitable due to excessive consumption of material resources. This reason alone makes it appropriate to use the normative net product indicator as the main method. It will be widely used for analysis purposes only.

The normative value indicator of processing, which is used in the value method of measuring labor productivity, is used to determine production volumes in light industry. The cost of processing regulations includes wages and additional fees of workers in production, workshop cost regulations; general plant cost norms will be introduced [4].

Labor productivity is a developing indicator. It is constantly changing under the influence of many reasons and factors. Some of them help increase labor productivity, while others can cause it to decrease. In addition, the level and growth of labor productivity can be influenced by the conditions in which the labor process takes place. If the conditions are favorable, the influence of this or that factor will be strengthened, or if unfavorable, this influence will be weakened. For example, the natural and climatic conditions seriously affect the results of labor in agriculture and its productivity. Social conditions related to forms of ownership of the means of production, as well as conditions related to production relations, other things being equal, can seriously affect labor productivity.

The increase in labor productivity in the enterprise is manifested in the following way:

- Time unit during to be created of the product increase in size without changing the quality;
- Time unit during to be created of the product increase in quality without changing the size;
- Work released product _ _ to the unit work reduction of consumption;
- Reduction of the share of labor costs in the product cost;
- Reduction of production and circulation time of goods;
- The benefit is manifested in the form of an increase in mass and rate.

Many factors affect the level of labor productivity and its dynamics.

Factors are the driving forces or reasons that influence changes in labor productivity. Some of them help to increase labor productivity, while others can cause a decrease in productivity. The first group of factors includes all activities related to the increase in the efficiency of labor tools, the organization of work and production, and the improvement of the conditions of social groups of workers; the second group includes adverse effects of natural conditions, deficiencies in production and labor organization, and effects of negative elements in social conditions.

When looking at the factors at the individual enterprise or organization level, they can all be divided into internal and external factors.

Internal factors include the level of equipment of the enterprise, the efficiency of the technology used, the level of energy supply of labor and production, the effectiveness of the implemented incentive systems, the training and qualification of personnel, and the improvement of personnel composition, etc. The

following can be included in the external factors: changes in the types of products and their level of labor due to changes in government orders and market demand and supply; socio-economic changes of society and regions; level of labor cooperation, material and technical supply, natural conditions, etc. All factors can be divided into three groups according to their internal content and essence: material and technical, organizational and socio-economic. The material basis of increasing labor productivity is the development of science, technology and technology, and the introduction of their achievements into production. Therefore, the group of material and technical factors is usually considered the leading group and determines all other factors.

The material and technical factors of increasing labor productivity include increasing the supply of labor with equipment and energy based on the continuous development of scientific and technical progress. The main directions of scientific and technical development in production are as follows: mechanization of production in connection with the transition to automation; increasing the power of machines and equipment based on increasing the level of energy supply of labor; electrification of production; chemicalization of production in several branches of industry and agriculture; the creation of completely new technologies (they ensure an increase in production intensity and drastically reduce the cost of live labor); reduction of material consumption in production and saving of material resources; deepening of specialization of machines and equipment and so on. The acquisition of new powerful sources of energy - atomic, internal nuclear, geothermal, space, etc., is also of great importance.

Labor productivity as a result of the influence of material and technical factors

Organizational factors related to the growth of labor productivity include the organization of production at the level of enterprises, sectors and the economy as a whole. In particular, placing enterprises in the regions of our country, establishing transport connections both within the country and with foreign countries; specialization of enterprises and their subsequent cooperation; materials and equipment, energy supply, repair service, etc. are of great importance. Important tasks for the improvement of production organization within enterprises are as follows: improvement of the quality of planning; organization of organizational and technical preparation of production; timely introduction of new techniques and technology; modernization of working equipment; providing current and capital repair of machines, mechanisms, equipment, apparatus, as well as proper organization of material and technical support within the enterprise.

All organizational factors are strongly interconnected and form a single system of organization of production, labor and management. Incomplete use of them, the presence of various organizational deficiencies mainly affects the use of working time. Waste of working time is a consequence of deficiencies in the organization of labor and production, which reduces labor productivity, and reducing the waste of working time ensures an increase in labor productivity [5].

CONCLUSIONS

In the system of organizational factors, the improvement of the personnel composition - the relative reduction of the number of management personnel and the increase of the weight of workers in the total number of industrial and production employees, and among them the weight of the main workers, take an important place. Industry - the higher the share of workers in the total number of production employees, the higher the labor productivity per employee.

Socio-economic factors are related to the fact that the development of science and technology, the provision of the material basis of production (technique, technology) and the implementation of various, and in many cases, very complex organizational activities do not happen by themselves, but only through social it happens only as a result of active work of people who are participants in production. This is the driving force of labor activity - the interest in obtaining a certain result. It, in turn, allows to satisfy the material and spiritual needs of people who are participants in production. In addition, the participants of production or other activities must have the necessary personal qualities, such as business and enthusiasm, as well as be entrepreneurial and vigilant, as well as striving to achieve a certain result of labor activity [6].

The most important socio-economic factors affecting labor productivity include:

- ✓ material and moral interest in labor results;
- ✓ the level of qualification of employees, the quality of their professional training and general cultural and technical level;
- ✓ attitude to work and the level of work discipline;
- ✓ development of self-management of labor teams.

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