



# INNOVATIVE METHOD OF PERSONNEL MANAGEMENT

**Sattarov Shuxrat Abdug'affarovich**

*Researcher at Institute for Staff Advanced Training and Statistical Research*

## ABSTRACT

DOI No: 10.36713/epra16224

Article DOI: <https://doi.org/10.36713/epra16224>

*In this article, the world experiences in assessing the efficiency of employees are widely studied, and the ways to move to new innovative methods of managing employees of large companies and organizations of our republic are highlighted. At the same time, each employee is evaluated as an income-generating asset, and the practice of encouraging or punishing the employee according to the benefit brought by the employer to the organization is widely described. The opinions of experts on performance evaluation by companies were studied, compared and evaluated, and scientific proposals and practical recommendations were developed for the use of KPI, PRP system.*

**KEYWORDS:** *personnel, personnel potential, efficiency, personnel system, KPI, PRP, strategy, motivation, management system, incentive, reward, personnel reserve, performance evaluation, analysis, planning, strategic goals, functional task*

## INTRODUCTION

Currently, the number of enterprises and organizations implementing the performance evaluation system in the work process is increasing. Management of organizations is primarily based on strategic goals.

In fact, using the method of management by objectives, the strategic and tactical goals of the enterprise are formed by the organization by foreseeing the future (vision), the service functions of the employees are determined, the main indicators of the activity are developed, as well as the payment mechanism based on the work results and the necessary to achieve the company's goals. other tools are introduced.

When the strategic goals of the company are formed, it is necessary to ensure the increase of personal responsibility of managers and employees to achieve them. In other words, goals must somehow be "trickled down" or cascaded through the administrative structure while maintaining a balance of goals at different levels of the organization. This is

achieved by using the KPI system. <sup>1</sup>In practice, the KPI system allows to evaluate various work results of the enterprise as a whole and its separate departments, as well as employees. Therefore, this motivational tool depends on the quality and quantity of the resources used can be considered as some functions that reflect changes in the results of the enterprise. Based on the results of the KPI assessment, the level of achievement of the company's goals is assessed. The KPI system is a tool for the organization to achieve results and establish more effective activities. Through this tool, the manager will have the opportunity to accurately and objectively assess the performance of his employees.

## MATERIAL AND METHODS

This performance evaluation tool should be useful not only for the manager, but also for the employee.

It is required to make the mechanism simple and transparent so that employees are interested in achieving KPI results. KPI can be used not only as a means of financial incentives, but also as an

<sup>1</sup> KPI (eng. Key Performance Indicators )

instrument for promoting effective employees according to the results.

"Best practices in the assessment of personnel potential and the formation of personnel reserves in foreign countries and ways to use them", <sup>2</sup>there will be defined steps for launching KPI. These are:

- Formation of the mission, views and values of the company;
- Building and developing a business model;
- Organizational structure optimization;
- Setting strategic goals;
- Selection of strategic projects;
- Clarify the work functions of managers and employees;
- KPI system design;
- PRP <sup>3</sup>results;
- Development of KPI / PRP system;
- Implementation of KPI / PRP system.

The KPI system is characterized by the following features and is taken into account when starting the system:

1. Targeted approach - that is, for each department and employee, the scope of its indicators is determined, depending on the functional obligations;
2. Considering the motion vector, ie. indicators should depend on the characteristics of business processes and the goals set for the enterprise;
3. Indicators must be achieved;
4. If necessary, indicators (depending on importance) should be changed;
5. Analyzes should be conducted on how the business value will change when the objectives are achieved.

A KPI system in foreign practice, it is recommended that the evaluator set 1-3 tasks (indicators) for the evaluators, based on their specialization and job duties, and 3-5 tasks (indicators) for the high-ranking employees of a large company.

In large organizations, when setting KPIs in structural structures, tasks are set individually, and assessment results are determined in relation to the team. According to the information learned during the research, the incorrect use of the KPI evaluation system by companies, moving away from the SMART method in setting indicators <sup>4</sup>, limits the ability of the organization to realize its strategic goals.

In local labor relations, it is necessary to take into account some of its negative aspects along with its

positive aspects. In particular, if the employer sets important indicators of efficiency in order to increase the employee's morale and uses the incentive or punishment mechanism depending on the results of the performance of these specified tasks, there will be a need for the employees to perform only the tasks defined as KPI. However, we know that in any organization there will be other daily tasks that are not KPIs. If each employee is assigned 1 to 3 KPI individual tasks, they will focus only on these tasks. Although it is not considered so important, it is necessary to do these things.

In this regard, when using the evaluation system based on KPI indicators, it is necessary to apply the results at the level of the team's results, as we noted above. Otherwise, in the team Unhealthy important formation can lead to cases where each employee works only for himself, and tasks that are not defined as KPIs are not completed.

## SUMMARY

In recent years, the functions and tasks of many ministries and agencies are being reviewed within the framework of large-scale administrative reforms carried out in our republic on the formation of an effective management system, which is considered an important condition for the establishment of New Uzbekistan.

Emphasis is placed on evaluation in terms of efficiency (based on citizens and the direction of specialization of activity).

In particular, at the same time as state organizations, large commercial companies and banks, as well as enterprises belonging to the private sector, are undergoing comprehensive transformation processes. The main goal is efficiency.

The impact of the KPI system on the organization and employees, as well as its relevance, can be seen in the fact that it optimizes the redundancies in management and provides an opportunity to allocate resources effectively. Including:

- The functional tasks of the employees will be revised and redundant burdens will be removed;
- The budget is optimized;
- Reducing the number of unnecessary staff in organizations and reducing the situation of "extraordinary personnel" jumping in positions;
- Employees are motivated to work on themselves;
- Old, expensive and time-consuming instruments such as attestation are abandoned.

<sup>2</sup> Satorov Sh.A. *Best practices in the assessment of personnel potential and the formation of personnel reserves in foreign countries and ways of their use. Economic-social, scientific popular magazine "Innovative development in Uzbekistan"* (3) 5 2022, ISSN 2010-9024, 139 p.

<sup>3</sup> PRP (Pay Related Performance)

<sup>4</sup><https://uzbaza.uz/maqsadlarga-smart-usulida-kanday-erishish-mumkin/>

In conclusion, Uzbekistan's large-scale reforms aimed at strengthening the integration into the world economy system will ultimately lead to the achievement of the efficiency of every organization and enterprise based on the same approach for all sectors, the wide application of digital technologies to work processes, and the consideration of employees as a useful asset, as well as investments in them. input determines the position of any organization among alternative enterprises in the future.

## REFERENCES

1. Bannyx M.V., Dubrovsky V.J. *Experience in implementing a KPI system at an enterprise // Forum young sciences.* - 2019. - No. 9 (37). - 40-48 p.
2. Kulagin O. *Targeted company management. How to build an organization focused on results.* - M.: Publishing solutions, 2019. - 340 p.
3. <https://www.google.com>
4. <https://www.stat.uz>
5. Sattarov Sh.A. *Best practices in the assessment of personnel potential and the formation of personnel reserves in foreign countries and ways of their use. Economic-social, scientific popular magazine "Innovative development in Uzbekistan" (3) 5 2022, ISSN 2010-9024, 139 p.*