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**WAGES AS A FACTOR IN INCREASING PRODUCTIVITY
AT SMALL CONSTRUCTION ENTERPRISES***LYUBOV PIMENOVA*

Polotsk State University, Belarus

The article reveals the necessity of interrelation of remuneration with the results of production. Also this paper describes the principles of effective system of remuneration. The author informs the structure of the remuneration system, which will be effective for increasing productivity in companies with a small number of employees in the construction industry.

Introduction. Construction complex of the Republic of Belarus takes one of leading positions in the structure of the national economy. It provides stability and social orientation of the economy also contributes to the development of the productive capacity of the country, the implementation of major social and economic projects. Today it is one of the most rapidly developing sectors in the Republic of Belarus.

Private and mixed construction organizations in market economies are a driver of economic development affect the growth of the economy. So their competitiveness is extremely important and relevant for Republic of Belarus for several reasons.

First, it is an important source of formation of a profitable part of local and national budgets. In 2016 in Vitebsk region there are 636 construction companies, 547 of which are in private ownership. GDP in the region in 2016 was 7 069 667 million, 84% of which introduced private and mixed organizations. [1]

Secondly, it is a source of creation of new jobs that contribute to the growth of real incomes of the population, middle class formation, reduction of the dependency in the society, reduction of outflow of the highly skilled (labor migration) in the countries of near and far abroad. The number of employees of small and medium private enterprises by the end of 2016 reached 10.3 thousand, the nominal average monthly wage of a worker amounted to 6 667 200 BYR. [1]

One of the most important indicators characterizing the efficiency of work of enterprise and its competitiveness is productivity, which is characterized by a number of factors.

All its diversity can be classified into three groups:

1. Increasing the technical level of construction production.
2. Improving the organization of labor, production and management.
3. Socio-economic factors. [2]

The first core group should include all factors related to technological progress: using new technology, improving design decisions, the use of advanced materials and structures. The second group includes factors of an organizational nature: the application of progressive forms of labor organization and production management, the use of new technological solutions. The third group includes factors that depend on the composition of personnel, their qualifications, motivation and stimulation of labor, social and labor relations.

The first two groups of factors play an important role in increasing productivity and are tied to such cost figures in the cost of construction as materials, depreciation, operation of machines and other. At the same time the third group of factors is mainly determined by the structure of wages in the cost of construction. However, according to statistical data for the Republic of Belarus and the Vitebsk region the salary of workers of construction organizations is 20–26% proportion of the construction costs, which in itself already sets wages as some article costs, which should pay special attention in the formation of costs and the determination of the performance of construction organizations.

All of the above determines the relevance of research in the area of wages and finding ways to increase its role of regulating the efficiency of production and reproduction of human potential, which ultimately should lead to increased productivity and sustainable economic development.

Thus, wages can and should be one of the most important factors of increase of competitiveness of the enterprise.

The main part. Currently in a market economy wages is an effective tool that motivates the worker to increase performance. The relationship between results of production and wages is a prerequisite for efficient functioning of the enterprise [3].

According to the article 57 of TK RB salary is remuneration for work which the employer must pay the employee for work performed depending on its complexity, quantity, quality, working conditions and qualifications subject to the time actually worked and for the periods included in working hours [4].

To increase business performance and revenue from the sale of works it is necessary to stimulate workers. The decisive causal factor in the impact of human activity is motivation.

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From the point of view of management motivation is considered as the process of formation of workers motives to activities to achieve personal goals or goals of the entity.

The basis of wages is the price of labor as a factor of production, which is reduced to its marginal productivity. According to the theory of marginal productivity, the worker must produce a product that offsets his salary; therefore the salary is put in direct dependence on efficiency of the worker.

For employee salary is the main and fundamental article of his personal income, means of ensuring the well-being of himself and of his family members. The stimulating role of salary is to improve work outcomes for increase in remuneration.

For the employer, the employee's salary represents the cost of production, and seeks to minimize them, especially per unit of output.

Salary performs motivational and reproductive function, as the salary is a form of wages for labor and an important incentive for employees.

The arrangement for the salary reflects the process of turning the cost of labor in wages. Through the organization of wages is achieved by a compromise between the interests of the employee and the employer, which should contribute to the development of relations of social partnership between the two forces of the market economy.

The remuneration system should be flexible to encourage the increased productivity of labor, to have sufficient motivational effect. The wage growth should not outpace the rate of productivity growth, efficiency.

The flexibility of the wage system lies in the fact that a certain part of earnings is dependent on the overall performance of the enterprise.

In modern conditions to encourage efficiency and productivity it is necessary to change not only the remuneration system but also the approach to its formation, we need different attitudes, thinking and grading scale. Changing approaches to remuneration of recognition of the labor is that paid no costs, and the results of work product of labor as a commodity. Funds from the sale of goods become the Supreme criterion for assessing the quantity and quality of labor producers and their main source of personal income.

In foreign countries have accumulated rich experience in the application of various wage systems that share a common focus on improving efficiency and productivity.

For example, in Germany a widely used system of bonuses for productivity growth, saving raw materials, etc. the Principle of operation is based on comparison of norms of the active (pre-specified) level of labor productivity, norms of expenses of raw materials with the practical results of the labor of workers. [5]

The remuneration system in France is a regulation of wages based on individual productivity of employees and economic efficiency of the enterprise.

This system is based on the following principles:

1) the payment for an individual production;
2) the fixed part of the salary is provided by the qualified employee, and variable results of the team's work and their own success.

3) the payment level engineering and technical personnel and specialists depends on the state of the labor market, the results achieved and the optimal use of allocated funds. [5]

In the United States system of "evaluation of merit is widespread. The meaning of assessment of merit is as follows: workers with the same qualifications and occupying a position, thanks to its natural ability, seniority, goals, motives and aspirations can achieve different results in their work. These differences should be reflected in wages. By the way, this problem is solved with the help of wage differentiation within the category or position [6].

Japanese companies, for example, use a reward for years of service, along with other factors, material incentives. Back in the 70s, based on the American system of tariff rates was formulated synthetic form of tariff wage. Using two rates: personal (based on seniority and age of employees) and labor (depending on qualifications and performance). Currently, the value of wages by 40% is determined by the length of service in the company [6].

Every entrepreneur, from the variety of existing forms of remuneration chooses the option that best suits the specific conditions of production (technological process, level of specialization, the nature of products and availability of production resources).

Effective remuneration system needs to meet the following principles:

1. Real wages should rise with the growth of production efficiency and labor.
2. The growth rate of labor productivity should outstrip the growth rate of the average wage.
3. Wages must be differentiated depending on the contribution of the worker in the results of operations of the company [7].

Given the outlined principles offer a method of determining wages, which will take into account the specifics of the work and the distribution by staff categories.

In the framework of this methodology at the beginning of the plan year is determined by the total payroll of employees, which is 15-18 % of the contractual scope of work.

After that, the distribution of the wage Fund according to personnel categories using the following principle: for technical workers a correction factor equal to 1.5; for machine operators and drivers was 1.15; for concreters – 1,1; for welders – 1,05; for support staff – 0,6.

In accordance with the received data to a separate payroll for each employee category is divided into two components:

1. Tariff part, which will provide the minimum state-guaranteed salaries.

2. The premium part, which is divided between personnel of the same category using the labor force participation rate, depending on the activity or ratio value.

All the other contractual quantities which lie in the current period, allow the Director to create additional payroll for each category of workers and to distribute it according to the principle described above.

This principle will not inflate the amount of cost of work performed at the expense of the wage Fund to the level of unprofitability of the enterprise and will not allow the excess growth of wage on rate of growth of labor productivity.

Conclusion. As a result, this technique allows prevent the excess growth of the wage above the rate of productivity growth and increase productivity at the company by encouraging employees to achieve high performance and decent wages.

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