

# Features of the Evaluation of the Investments Effectiveness in the Modernization of Human Capital on the Basis of Corporate Training

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**Abstract**—The urgency of the problem is caused by the insufficiently developed problems of the theory and specific features of the organization of corporate training as a service and an integral part of the process of personnel development in a market economy.

The absolute imperative of the modern socio-economic development of society is the continuous growth of the intellectual and creative potential of man. Increase in knowledge among employees is the foundation for the creation and introduction into production and management of innovative technologies, new types of goods and services based on the intellectual and information potential of personnel. One of the main factors of this growth is the effective modernization of Russian education in general and corporate education in particular.

The purpose of the article is to assess the effectiveness of corporate training - it is the identification of untapped, not fully utilized resources of the corporate training potential, as well as economic security, risks, obvious and hidden threats to the growth of corporate training effectiveness.

The article is aimed at finding ways to further develop corporate training and its current market economy requirements and work ahead of its competitors and create the conditions for training, developing and improving professional skills in order to improve the level of organizational, team and individual effectiveness. The main results of the work are assessment of the effectiveness of corporate training in the process of achieving strategic competitive advantages of corporations.

**Keywords**—*human capital, corporate training, competence of company employees, training criteria, performance.*

## I. INTRODUCTION

Insufficient development of the theory problems, specific features of the evaluation of the investments effectiveness in the modernization of human capital on the basis of corporate training determine the relevance of this study.

At the end of the 20th century, based on the work of Harry Becker [1, 2, 3] and other researchers [4, 5, 6, 7, 8, 9], including Russian [10, 11, 12, 13, 14], on the problems of the so-called resource approach to the management of organizations, the "human capital" term was introduced.

The introduction of the "human capital" term into the everyday life meant the awareness by Russian and foreign owners and investors of the fact that a person can be the object of investing capital, and investing in a person (primarily

through raising his professional qualification level) on the basis of educational services - this is the most promising and highly effective method of investing.

Numerous studies of scientists [15, 16, 17, 18, 19] in the development of management theory and practice, resource approach to the management of companies and their personnel prove that in the long term the company's competitiveness is determined by its highly skilled worker.

XXI century suggests that for maximum productivity and quality, a significant investment in the development of personnel is needed. The idea of advanced education largely corresponds to the concept of education throughout the life of a person and promotes the fulfillment of the social role of a specialist in the life of the company [20, 21, 22, 23, 24].

To achieve this goal, in our opinion, the following tasks are needed: to determine the potential of corporate engagement and to develop proposals for its maximum implementation for the modernization of human capital oriented to the market, solving problems that ensure the effective operation of the corporation as the main sources of its competitive advantages.

The analysis conducted by the authors reveals the main approaches to assessing the effectiveness of corporate training in the conditions of modern Russia [25, 26, 27, 28, 29]. At the stage of transition of the domestic economy to an innovative development model, it is objectively beneficial and necessary to develop corporate training that influences the development of the personnel of the companies, clearly articulating its role and place in the educational system developing in Russia.

This confirms the objective need for investment in "human capital", primarily through investing in the continuous training of cadres of any organization. The scientific significance of the study is determined by the proposed integrated indicator of the evaluation of the effectiveness of investments in the development of corporate training, which makes it possible to trace the relationship between the costs of corporate training and the dynamics of changes in possible direct and indirect learning outcomes (the number of operations performed by the employee, the average wage, the profitability of labor resources).

Practical significance of the research results is determined by the possibility of corporations applying the developed

methodological approaches to the requirements of the innovation economy.

Evaluation of the effectiveness of training the company's personnel as an important part of the corporate educational system is a systematic, clearly organized management process aimed at commensurate costs directly or indirectly related to the training activities of the company's employees, with the increase in the work results and the human capital of this company.

The results of the functioning of the corporate training subsystem can be measured by assessing the compliance of the package (complex) of educational projects and individual training programs with the strategic and specific design and operational goals of the company.

This is achieved by analyzing the growth dynamics of the complex competence of the trained personnel and the impact of using this growth in practice on the basis of periodic certification of all the company's personnel, provided that the results are continuously increased and the quality control of the training subsystem is organized.

The competence of the company's employees is viewed as a combination of general knowledge, professional knowledge and skills, managerial skills, including innovation and resilience to changes that require evaluation and development. Therefore, in each specific case, the task of corporate training is the development of those elements of the employee's competence that are in line with the strategic and current needs of the company. Accepting competence as a target parameter of training, the goal of evaluating the performance of the latter can be defined as increasing the effectiveness of investments in the modernization of the company's human capital through corporate training carried out with the funds allocated by the company within the framework of an overall human resources development strategy aimed at the best achievement of the company's goals.

The main objectives of the evaluation of training effectiveness are: assessment and identification of resources to increase the competence of staff; assessment and identification of resources to increase labor productivity; assessment and identification of resources to reduce specific (relative) costs of training; assessment and identification of resources to increase the return on investment in the development of personnel.

Performance evaluation is the final stage of the corporate training process, it is carried out after completion of training on the criteria selected at the beginning of the learning process (in determining the learning objectives).

Such criteria are: staffing; methodical supply; material and technical security; financial security; innovativeness. The basis of the analysis of the corporate educational system effectiveness are the following two groups of indicators:

1. Indicators of the entrance of training (investments in training and related indicators characterizing the organization of the training subsystem): the number of training programs; number of managers and specialists who have undergone corporate training; number of hours of professional training; total costs of training per year; average unit costs per one day

of the student's training; share of training costs in the volume of sales of products (works, services); the number of operations performed by employees before the training; average salary of employees who have not been trained, etc.

2. Indicators of the output of training (characteristics of the effectiveness of investments in upgrading the content and technologies of the training subsystem and related indicators): the level of additional education or qualifications obtained; number of operations performed by employees after training; average salary of employees after corporate training; the volume of sales of products (works, services) per employee after training (labor productivity); the volume of the total profit (before tax) per employee after training (profitability of labor resources), etc.

The purpose of investments in the modernization of human capital through corporate training is the development of innovative activities in the field of knowledge, as well as the organization and management of the processes of the corporate educational system. The indicators characterizing this direction should determine the implementation of a new or significantly modified corporate strategy; introduction of new or significantly changed functional duties performed by employees; introduction of corporate knowledge management systems.

Target measurers are the number of operations (primarily innovative in content) performed by employees as a result of the introduction of innovative corporate forms of training; number of employees who received additional professional education as a result of training; average salary of employees after training; the profitability of labor resources after investment in the modernization of human capital through corporate training.

It is necessary to clearly describe the overall situation and identify the constituent elements (in the time of their implementation in the general business education process):

- a) investments and other costs for the development and implementation of projects and training programs;
- b) the growth of professional education of employees through the organization of training;
- c) the growth of proposals and specific works of employees who have been trained to improve (modernize) the company's management system;
- d) the growth of the final socio-economic performance of the company as a consequence of the implemented (implemented) offers of trained employees of the company.

Consequently, the effectiveness of the training subsystem can be seen as the ratio of investment and other costs for the development and implementation of projects and training programs to the growth of the final socio-economic performance of the company.

The positive dynamics of changes in these indicators, ultimately, will lead to an increase in financial results and the achievement of maximum results from investing in the modernization of human capital through corporate education.

To assess the effectiveness of investments in the modernization of human capital through corporate training, you can use the following formula:

$$P = \frac{\frac{F}{F_b} \times \frac{Ke}{K_t} \times \frac{Se}{Sb} \times \frac{Rihc}{Rb}}{I}, \quad (1)$$

where  $P$  - the productivity of investments in the modernization of human capital through corporate training, units / thousand. rub.;

$F$  - number of operations performed by employees after training, units;

$F_b$  - basic number of operations performed by employees before the training, units;

$Ke$  - number of employees (managers and specialists) who received training this year, people;

$K_t$  - the total number of employees (managers and specialists) of the company, people;

$Se$  - The average salary of employees who received training, thousand rubles.

$S_b$  - average salary of employees who have not received training, thousand rubles;

$Rihc$  - the profitability of labor resources after investment in the modernization of human capital through training (the ratio of profit before tax, received after training of employees, to the fund for remuneration of employees), %;

$R_b$  - The basic profitability of labor resources (the ratio of profit before tax, received before training of employees, to the fund for remuneration of employees), %;

$I$  - Investments in the modernization of human capital through training per employee, thousand rubles.

The amount of investment in the modernization of human capital through training per employee is determined by the formula:

$$I = \frac{C \times Ke}{K_t} \quad (2)$$

where  $C$  - the average cost of training an employee in a year in current prices, rubles.

he developed model for assessing the effectiveness of investments in the modernization of human capital allows to effectively manage personnel and make decisions on changing the company's personnel structure.

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