

# Modern Problems of Management Efficiency in a Joint Stock Company

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**Abstract** Ensuring management efficiency under uncertainty becomes more difficult and is influenced by many factors. Human factor and the relevant functions also play a significant role in management. At the same time joint stock society management has its own specific aspects. We have conducted a cross-cutting research with a view to identify the joint influence of economic, management, social and psychological factors on the performance of a joint stock society. The study identifies the main problems in managing a joint stock company (lack of a management strategy that takes into account intense competition; marketing corporate culture promoting result-oriented teambuilding work). It has been established that the essential functions aimed at meeting the needs of the population, enhancing the competitiveness and ensuring the management efficiency, are not fulfilled. The interconnection between the management social system and social perception is shown, e.g. how adequate and accurate the assessment of a situation, self or others is. The management process is the driving force behind it. The authors come to a conclusion that it is essential to create an integrated management system within a joint stock society that manufactures and sells its production at consumer market based on business processes. Such a management system will provide for the unity of goals and management efficiency.

## 1. Introduction

Ensuring management efficiency under uncertainty becomes more difficult and is influenced by many factors. Efficiency is a cost management indicator that is determined by the growth of revenues, which is greatly affected by the systemic fulfillment of management functions. So, management efficiency depends directly on the implemented management decisions, their evidence basis and meaningful factors. Material, financial and labour resources used in the organization of any form of ownership are of paramount importance. Labour costs are more important, but the efficiency is hard to estimate, as actions are determined by the outcome, which cannot always be measured. Personal traits of a manager and his or her functions are also vital, as activities and outcomes of an employee are the subject and goal of management [5;10;22;23]. Scientific management principles are relevant as well, as is the thorough promotion of corporate culture [6;7;8;11;13;26;27] and a favourable social and psychological climate [17].

A joint stock society, which was once a relevant form of management, today under growing uncertainty, constant change, face a number of challenges that ensure the pertinence of a cross-cutting study of the factors affecting management efficiency in such organizations. Regional cases have been used in previous research of management challenges in joint stock companies; data have been accumulated that demonstrates a number of common problems in such joint stock societies with state participation. However, the mechanisms that affect the behaviour of an organization in the market are still not clear. Here we focus on studying management problems in a joint stock society that manufactures consumer products under uncertainty and intense competition.

## **2. Pertinence, description of the objective and scientific value of the research**

Joint stock societies have their own specific features. The majority of publications present the analysis of legal aspects of activities of these societies. The development of such joint stock societies shows that management problems associated with property relations in a JSC account for the majority of their challenges. Generally, many experts view management problems in a JSC from the legal point of view [3;20;21]. A significant number of publications is dedicated to the analysis of managing JSCs that work with state contracts within industrial corporations [7], staff management models in agro-industrial complexes with a joint stock structure [18]. However, problems of organizations that manufacture everyday goods are researched less extensively.

We will establish the key management challenges for a JSC in this study: one of the main aspects of managing a JSC with state participation is lack of a single decision-making and goal-setting body [24, p.117]; an agency conflict when measures taken by managers contradict the interests of shareholders, in particular in large corporations [7, 9]; underdeveloped corporate culture [7]; lack of control over the executive body by the Board of Directors of a JSC [9, p. 144]; Board of Directors members' competences do not fully meet the requirements: their qualification and good faith determines the position of the company in the market [9, 25]; a significant number of companies not generating any profit [24, p.16]. Studying such organizations, their specific challenges, mechanisms that affect their efficiency is of paramount importance.

The relevance of the research is determined by the following: insufficient number of studies looking for mechanisms that affect the behaviour of JSCs in consumer markets under today's uncertainty and constant changes of the environment; lack of cross-cutting research in scientific publications that would comprehensively study both social and psychological and economic management factors that influence the operational efficiency in these organizations; insufficient competitiveness of JSCs in the consumer market; significant social role of consumer goods producing JSCs on the municipal and regional levels.

The goal of the present article is to identify the specific characteristics of managing joint stock companies and mechanisms that affect JSCs.

Therefore, the goals of the research can be divided into the following objectives:

1) theoretical analysis of JSC management issues; 2) economic analysis (management, marketing, competition) of the studied JSC; 3) social and psychological research of a JSC: assessment of social and psychological climate, corporate culture, aspects of social perception (accurate evaluation of the current situation in the organization, of self and colleagues); 4) defining problems and specific characteristics of JSC management and mechanisms that affect an organization's indicators, namely financial sustainability, competitiveness and innovation preparedness; 5) development of recommendations for solving the identified management problems in a JSC.

The research studies management and social and psychological characteristics of an organization.

It used the case of Yuakutsky bread-baking complex, JSC (hereinafter referred to as YBC, JSC) (2017-2018).

Research methods: marketing, competition, management analysis, social and psychological organization analysis, namely a poll carried out in the form of a questionnaire, express social and psychological climate evaluation among employees (A. Mikhailyuk, L.Sharyto) [17, 22]. The

questionnaire was to determine whether the employees were satisfied, their motivation, values, goals, social perception, corporate culture.

Survey sample. 198 employees of Yuakutsky bread-baking complex, JSC (49% of the total number of employees) took part in the social and psychological research. Also, interns (20 students) in various JSCs with state participation in the period of 7 years were interviewed. Consumers were polled with the help of survio.com website in a marketing study to explore consumer preferences with regards to bakery products. The survey sample was developed using the probability method as all the units of the aggregate could be included into the sample. 500 people took part of In the poll: 41% of men and 59% of women. The average age of the majority of the surveyed was 25-50 years.

The scientific relevance of this research is determined by the fact that It has been conducted Using a crosscutting approach combining economics, marketing and social psychology with a view to establish the connection between an organisation's performance, management characteristics and social and psychological aspects of the work of a company, and therefore to find out whether it is ready to innovate and to manage competitiveness under uncertainty. In terms of theory, the scientific relevance of the study results from the description of management issues in the joint stock companies. The article describes the mechanisms that influence performance of such companies and the interconnection between social, psychological and economic characteristics. This daddy uses both the economic and social and psychological approaches to the performance of the company.

The practical value of the study results from the identification of management problems in joint-stock companies, recommendations for resolving them both in the explored joint-stock company and in other companies of this type.

### **3. Methodological framework**

The methodological basis for the research: systemic approach to use the analysis of an organisation (A.Bogdanov, L. von Bertalanffy, C. Barnard, P. Drucker, T. Peters, R.T.Pascale, A.G.Athos, R. Waterman) [12, 23]; performance principle, namely the research of the processes in an organisation from the point of view of joint activities (G.Andreeva, B.Lomov, A.Zhuravlev, A.Petrovsky, A.Dontsov) [1, 10]; social perception analysis approach from the point of view of the activity approach (G.Andreeva) [2].

Under uncertainty organisation management focuses more on improving business processes technologies, creating long-term development strategies, and corporate culture management. It is very important to understand an organisation as a system, to encourage teamwork with a view to accomplish the mission and goals of an organisation, to engage employees in the management processes, and organisational joint activities.

Collective labour activities result in important changes in production (labour productivity and the quality of the product enhance, working hours, labour and material resources of companies and organisations are used more efficiently); the management system is changing (self-governance on various levels of a manufacturing business is developing); social psychology of employees is also adapting (social activities are becoming more widespread, social and -psychological climate is improving, as well as teamwork, time management skills, duty performance, responsibility and other social -and psychological personal qualities) [8].

Social and psychological climate is an important factor that affects the engagement of employees and performance of the organisation. It includes the following: 1) team building; 2) relatively sustainable emotional climate that reflects the real labour environment (character, conditions, labour organisation) and social environment; 3) view of the team and an employee's place on it; 4) behavioural traits of the employees [1;15;17;22]. This social and psychological climate is quite independent being the objective characteristic of a manufacturing group that influences the group activity and its members [17]. Joint activities also determine the special traits of social and perception processes in the company that affects the accurate evaluation of the situation, itself, and others. The assessment of yourself and your position on the team is associated with the satisfaction of being a part of the company, willingness to cooperate, motivation and engagement [1, 2, 15].

Management from the point of view of the comprehensive approach also includes corporate culture management. Corporate culture is seen as an integral characteristic of an organisation (its values, standard behaviour, ways to assess the outcomes) that is given in a certain typology's language [5;6;7;8;11;13;19;23;26;27]. Corporate culture is developed during the process of joint identification of the challenges associated with external adaptation and in-house integration challenges by the employees [19]. That is a significant number of corporate culture typologies [8;13;19;23]. As we research joint stock companies that were established in 1990s on the basis of Soviet organisations, we have chosen the production and marketing culture typology. The key difference between these cultures is their orientation either toward the manufacturer (production culture) or towards the consumer (marketing culture) [6, 8, 11]. In addition to the corporate culture assessment, we also used the model proposed by E. Grudistova, namely the analysis of communication policy elements; advertisement campaign efficiency, propaganda, sales promotion; general performance (profit efficiency, productivity); connection, or lack thereof, between the efficiency of a company and its corporate culture and the type of this connection [8].

The majority of sources identify the connection between personal qualities of a manager, including management style, and perception of self as part of the organisation. T.Bazarov emphasizes that "under uncertainty the influence of the manager on the employees is not limited to the physical or material communication environment. It is also certainly associated with the reference and moral and ethical aspects of interpersonal relations. If an employee does not see himself or herself as part of the organisation, then the influence of a manager is minimal" [4].

So, the analysis of publications covering management problems have shown is that performance efficiency is influenced by a number of interconnected variables with specific economic and management factors been closely connected to social and psychological ones. The comprehensive principle, strategic thinking and goal-oriented work on the creation of a corporate culture and positive social and psychological climate are of paramount importance.

#### **4. Results and their discussion**

Let us start with the description of the marketing analysis results. The main trend in the consumer market development is associated with a growing consumer interest in healthy lifestyle, and therefore in healthy food. Bread and bread products manufacturing has been reducing for many years. This pattern corresponds to the market's development on the national level. Bread and bread products prices are growing all the time. The price growth is affected by bigger cereal exports, raw material prices, and power cost rate and other utilities. The comparison of competitive prices has shown that prices of Yuakutsky bread-baking complex, JSC are higher than of other market stakeholders.

The majority of surveyed consumers prefer to buy bread from Nemyugyunsky bread factory with YBC, JSC being the second choice. These companies account the majority of bread product manufacturing in Yakutsk. We must say that the manufacturer Nemyugyunsky bread factory is relatively new in the market and is quickly gaining popularity among consumers. Consumers are not truly satisfied with the courtier of bread and bread produced by YBC, JSC; the respondents pointed out that the products are not always fresh and tasty. The company does not divide the bread market into segments. According to the social and psychological survey, the employees do not think about the business problems and do not seek to improve their work. All the problems are being reduced to low salary without any connections to the quality of the products and the company's performance.

A comprehensive analytical assessment was carried out to analyse the goods policy. The product range is adjusted as part of the range assessment; its breadth and depth are adapted; the role of every product type in achieving financial performance targets is evaluated; it is analysed how the changes in the structure and contents of the product range can affect economic performance of a company. The breadth of the product range is represented by three product range groups: bread, confectionary and noodles.

Yuakutsky bread-baking complex, JSC produces more than 40 bread products, more than 100 confectionery products, more than 19 gingerbread products and more than 10 noodle products.

Fluctuations are quite small over time. The role analysis over time shows the changes in the product range by categories. In order to ensure the maximum turnover and profit, in every category there should be products with 6 basic roles: generator of the flow, cash, profit, sales, image, and protector. The following roles by product groups have been established in terms of markup and trading (Table 2).

**Table 2.** Markup and trading for the role assessment of bakery product range.

Product	Markup, %	Turnover, thousand rubles	Roles
Vanilla croutons	15	4 815 564	Protector
Grooved bread	20	58 358 587,5	Flow generator
Wheat bread 1 category	25	100 378 091,45	Cash generator
Darnitsky bread	28	41 878 898,62	Purchase generator
Multiseed bread	32	34 525 070,12	Profit generator

The current product range fulfills 5 roles in terms of turnover and markup. The table shows that there are no products that create an image and make a contribution to the presentation of a company for the consumer.

**Table 3.** Markup and trading for the role assessment of confectionery product range.

Product	Markup, %	Turnover, thousand rubles	Roles
Biscuits	15	5 636 954,40	Protector
Chocolate gingerbread	20	6 701 447,8	Flow generator
Volzhsky cake	25	21 669 657,53	Cash generator
Tuymaad's Tales candy	30	13 237 532,22	Flow generator
Puff-pastry cake	35	1 458 187,68	Image creator

There is no sales generator among confectionery products. The profit and turnover reduces due to the lack of sales generator, which is one of the most important product range roles.

Also, and ABC analysis was conducted. It has been established that A products accounting for 80% of the profit take only 12.8% of the total product range. B products generating 15% of the profit account for 35.9% of the total product range. C products that generate minimum profits account for half of all the product range with 51.2%. The results confirm that there is a lack of control and operational efficiency in the decision-making process. Furthermore, in addition to the ABC analysis, an XYZ analysis was carried out aimed at forecasting the stability of sales and consumption fluctuations. The integration of both analyses produces the following results (Table 4).

Products in the AX group make a large contribution into financial outcomes of the company due to consistent consumption. AY and BY groups with high turnover are not consistent enough. CX and CY group products can use the order system with a fixed price (size). BZ products with high turnover have low sales predictability. CZ group includes new products that depend on marketing efforts to promote them, these are goods with unstable demand. Some of them must be constantly monitored, others can be easily excluded from the product range. The matrix shows that the product range is unstable, the demand is not consistent, this is why it requires thorough work with a particular focus on the Group C, or the products generating minimum profit.

**Table 4.** ABC-XYZ analysis matrix.

AX Time-sensitive bread products	AY Bread products with additives	AZ –
BX –	BY Confectionery: cakes and pastries	BZ Sugar products; Noodles;
CX Less moist bread products; Cookies, gingerbread	CY Cereal flour	CZ Food products made from flour (batter)

The availability of retail networks is essential for consumers. The analysis of the retail network locations indicates that it is uneven with the majority of shops situated in two districts out of 8. The two districts in the city center and many suburban villages that are part of Yakutsk area have no retail shops. 76.5% of brand shops are operating at a loss.

The communication policy analysis indicates that advertisement expenditures have reduced by 63.9% in the last three years. Performance estimates are negative, as the cost is higher than the profit generated as a result of an advertisement campaign (Table 5).

**Table 5.** Initial data for advertisement efficiency estimates.

Retail turnover in the analysed period, thousand rubles	Turnover increase, %	Advertisement costs, thousand rubles	Average markup, %
907670	-1.5	1452	17%

$$\begin{aligned} \text{Э} &= (907670 * 0,17 / 100) - 1452 = 1543 - 1452 = - 91,039 \\ \text{P} &= (- 91,039 / 1452) * 100 = - 6,3 \end{aligned}$$

Fast management decision-making is especially pertinent under competition. Competition in Yakutsk exists and exerts negative influence on the joint stock company. The number of competitors has been growing recently. There are 7 market players. Yuakutsky bread-baking complex, JSC is the leader with 28.1% of the market. Gurme is coming second with 24.7%, then there is Bon Ami with 17.6%.

The concentration index for the three leading companies characterises the confectionery market as highly concentrated.

$$CR_3 = 28,1\% + 24,7\% + 17,6\% = 70,4\%$$

Herfindahl — Hirschman index allows to assess the company under competition.

$$HHI = 28,1^2 + 24,7^2 + 17,6^2 + 15,2^2 + 7,5^2 + 4,3^2 + 2,6^2 = 2 022.$$

The comparison of the two indexes shows that the company holds 28.1% of the market. This is less than 35%, the concentration index is 70.4%, Herfindahl — Hirschman index is 2022, which shows that the company is far from dominating the market. As the JSC is one of the largest manufacturers, the situation is critical.

The sustainability indicator allows to predict a bankruptcy in time, 1 year, 2 years, or 5 years in advance. In order to calculate the financial sustainability indicator, the accounting performance data and the financial results report of Yuakutsky bread-baking complex, JSC were used.

**Table 6.** Financial performance of Yuakutsky bread-baking complex, JSC.

Indicators	thousand rubles
1	2
Current assets	367,260
Short-term obligations	387,928
Accumulated capital	52 687
Pre-tax profit	196,816
1	2
Assets of the company	383,831
Total debt of the company	610,583
Total sales	894,233
The company's assets	994,414

These financial performance data on 2017 are used as variables to calculate the sustainability of Yuakutsky bread-baking complex, JSC, the information was obtained from balance sheets [28]. Here, Yuakutsky bread-baking complex, JSC has the financial sustainability indicator of 1.966, which means that the company is not sustainable enough, there is a risk of becoming uncompetitive.

The management efficiency analysis of Yuakutsky bread-baking complex, JSC used the following indicators: investment yield (IY); equity capital yield (ECY); total assets yield (TAY).

The abovementioned indicators show the management efficiency in a company (Table 7).

**Table 7.** Management efficiency analysis of Yuakutsky bread-baking complex, JSC.

Indicators	2016	2017	Deviation
Pre-tax profit (losses), thousand rubles	5876	6718	842
Net profit (losses), thousand rubles	1209	412	-797
Equity capital, thousand rubles	37906	383831	4763
	8		
Total assets, thousand rubles	95447	994414	39937
	7		
Equity capital yield (ECY)	0.32	0.1	-0.22
Total assets yield (TAY)	0.62	0.68	0.06

These calculations show lack of equity capital profit and minimum total assets profit. The management is inefficient, as the competitive environment is not studied, and there is no marketing analysis. These methods would allow to make timely adjustments to the product range, to identify competitive positions, to ensure sustainable development and operational efficiency.

And now we present the results of the social and psychological research. It must be said that the employees were indifferent about the social and psychological study, except for the senior management that wanted to understand the situation better. They see low salaries as the main problem of the company.

The competitiveness assessment of the company by its employees does not show the real picture. For example, 29% of the production department employees assessed the competitiveness as high, 49% said it was medium, 20% were undecided and only 2% said that the company's product as uncompetitive. This shows low level of communication between departments, administration and employees, lack of involvement into the life of the company, and results from lack of an adequate staff motivation system, including material remuneration for the final efficiency of the organization.

A positive moment that can become the foundation for improving the staff motivation system is that the employees themselves stressed that lack of a connection between remuneration and efforts and output prevents the fulfilment of the staff's potential (40.5%); lack of the management's support and interest in the outcome (no career development, self-fulfilment, etc.) (13.4%); no need to fulfil your potential (16.4%). 26.8% were undecided. In other words, they understand quite well that the existing motivation system, in particular material remuneration, does not require high productivity and skill improvement.

45% of the polled employees in the production department are satisfied with the labour organization in the company, 31% are not satisfied, and 24% of the respondents are undecided. These answers are also concerning and are somewhat associated to the comprehensive principle of labour organization in the company.

The analysis of the social and psychological climate of the company indicates that the climate is controversial by all parameters (Table 8). The employees are indifferent to one another, they do not know one another well, the skills of their colleagues and are not willing to maintain working and personal relations.

**Table 8.** The assessment of the social and psychological climate in the YBC, JSC (by departments).

	Emotional component	Cognitive component	Behavioral component
Sum N=198	0.425	0.316	0.047
Psychological climate	Contradictory	Contradictory	Contradictory

More favourable emotional attitude is shown in the departments that engage directly in the production and sales, which can be explained by some aspects of labour functions.

**Table 9.** The assessment of the social and psychological climate in the YBC, JSC (by departments).

Department	Emotional component	Cognitive component	Behavioral component
Commercial department N=16	Positive	Contradictory	Contradictory
Production department N=86	Positive	Contradictory	Contradictory
Administration, support departments N=88	Contradictory	Contradictory	Contradictory
Department not specified N=8	Contradictory	Contradictory	Negative

Conflicts as well as deep knowledge of one another's character, business qualities, willingness to work in the company, to communicate with colleagues beyond the professional environment are absent. 48.6% of the employees in these departments have never thought about their colleagues' business qualities.

The main life values and goals are associated with financial prosperity (number 1), one's own housing with all modern amenities (3) and personal values (significant other (2) and children (4)). Such goals as "be successful, career progress" occupy the fifth place; education and capacity building are on the 7th place, "have one's own family business" is on the 8th, while "be free, independent, do what I want" comes the 11th.



As a whole, the respondents are satisfied with their life. The majority of the employees want a regular steady job with average salary without much responsibility. We must say that despite the average satisfaction level indicated by the employees and quite low level satisfaction with the salary, the staff turnover is quite low. This demonstrates that the employees are satisfied with their position and are not ready for any drastic changes.

The interview with the marketing students who have been enrolled in internship programmes in various companies, in particular in JSC with state participation (with republican/municipal participation) show that they understand these problems. They turn down vacancies with a big salary and a high position for young experts in these companies saying that the staff is too indifferent (both the management and employees), and the personnel does not embrace change. Graduates prefer to work in private companies (competitors of the bread factory) where they can fulfil their creative potential. These data corresponds to the research of N. Lebedeva that stresses great creative and innovative potential of the Russian young people as the input, and considerable innovative development underperformance as the output, which is mostly associated with the preponderance of hierarchical corporate cultures and practices that stifle innovation [12, 29].

The conclusions are made on the basis of the company's analysis.

- The conducted analysis shows the absence of scientific approaches to the management in the studied YBC, JSC, for example the comprehensive and process-oriented principles.
- The corporate culture in the company is the production one, not a marketing one, that negatively impacts the performance of the joint stock company under uncertainty and highly competitive environment.
- The company is not financially sustainable, there is a risk of becoming an uncompetitive company.
- The social and psychological climate is contradictory, the inaccurate assessment of the performance by the employees and poor knowledge of their colleagues' qualities indicates insufficient engagement of the staff.
- The staff motivation system is not efficient enough.
- Innovative thinking is not common in the company.

Recommendations for the studied joint stock company

Development of the company's strategy, transition to the integrated marketing management system with the orientation towards dividing business processes into stages (raw material procurement, production, sales, promotion), which will allow to solve competition problems, to enhance marketing orientation and will ensure strong performance.

Strengthening the forecasts aimed at the development of marketing programmes for achieving strategic and framework goals.

Meaningful creation of marketing corporate culture and development of team-building measures to bring the staff together to fulfill the mission and goals of the company.

The development of a staff motivation and control system that would ensure the communication between strategic goal management elements, in particular linking the incentive part of the salary with personal performance targets and KPI developed on the basis of the company's development strategy.

Enhancement of management competences of the managers and members of the Board of governors of the JSC.

## **5. Conclusion**

The results of the theoretical and empirical research allows us to come to the following conclusions that indicate the challenges for the joint stock company that must be addressed immediately and are JSC specific.

- The studied joint stock company has an organizational management structure that does not meet today's requirements as the organizational structure is not aimed at fulfilling marketing functions, both strategic and tactical ones. A number of important marketing functions determining various

analysis methods are not fulfilled. Therefore, the market orientation is insufficient. Without meaningful research of the competitive environment and consumer behaviour, technological innovations (e.g. new production lines) improve labour conditions without fundamentally changing the market environment.

- The existing management system, contradictory management style determines lack of communication and team-building between the employees in terms of achieving the mission, goals and objectives of the company, and does not allow to bring the employees together and introduce break-through innovations in management. Management system response to the changing market is not fast enough.

- Indirect ownership gives the employees an illusion of stability and protection against economic consequences, and fosters poor understanding and underestimation of the role of the consumer, personal impact of an employee on the performance and the salary.

- Indirect responsibility and poorly managed system of current step-by-step control by the senior and middle management lead to errors in the picture of the state of affairs in the company, do not stimulate employees, promote their motivation and have a negative impact on the attitude towards innovations in management. The motivation system does not yield the expected results (better labour productivity, innovations, new products that meet the needs of consumers).

- Mechanisms that affect joint stock companies: management system, social perception mechanisms. An interconnection between social perception and management system has been established. Managing a company as a system and creating its development strategy play the key role.

The driver of any living system, of a human or an organization, is a real need that requires activity in order to be met. In case of non-profit generating joint stock societies that have some kind of support (indemnification, subsidies/grants, etc.) from the founding shareholder, namely the state, this need is met without any adequate efforts in the market; the employees' and management's assessment of self and measures taken (accurate social perception) is not adequate.

From the one hand, support of manufacturers owned by the state, region or a municipality is necessary. It addresses a number of social challenges (employment, the population's satisfaction with steady salaries). From the other hand, unchecked support can result in bankruptcies, by promoting inadequate assessment of the state of affairs, and as a result, preventing modern management methods from being introduced in the relevant corporate culture.

Joint stock companies often underestimate the role of strategic marketing and goal-oriented engagement of employees, corporate culture management, while under constantly changing external environment and intense competition in the market, these factors become decisive and promote introduction of innovations.

Thus, the case of Yuakutsky bread-baking complex, JSC shows the interconnection between economic and psychological factors. Mechanisms that affect joint stock companies: management system, social perception mechanisms. An interconnection between social perception and management system has been established. The management process is the driving force behind it. First of all, this is a management system that is well-arranged at all levels as a continuous process aimed at achieving the goals of the company: better labour productivity through meeting the demand of the population, which is especially pertinent for the manufacturers that work for the consumer market.

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