

**Research Article**

## **The Formation of Key Competencies of Employees of the Enterprises of Service Sphere, Applying Innovative Management Techniques**

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### **ABSTRACT**

The relevance of the research into the formation of key competencies of employees in the service sector is determined by the growing role of this sphere in the modern economy. It is the availability of necessary professional and personal competencies that guarantees high quality of services and service. This article explores the issues of changing the requirements for the personnel of service companies and improving the system professional development within the framework of introducing managerial innovations at enterprises in this field. To carry out the research, the authors of the article used methods of structural, comparative and statistical analysis, as well as methods of scientific classification, peer reviews, pedagogical experiment, and others. The authors of the article justified that the shift in the dominants of competition in the service sector from the price factor - to the quality of goods and services, can be realized on the basis of developing the level of competence of the staffing of enterprises and the formation of an organizational quality philosophy. On the example of the Republic of Tatarstan (Russian Federation), national cultural features of the organizational behavior of workers in the housing and communal sphere have been revealed. The materials of the article are of practical value for the management of enterprises in the sphere of services, interested in the formation of key competencies of personnel, as well as educational organizations engaged in training personnel for the service sector.

**Keywords:** service industry; competence of employees, ethno-cultural characteristics, organizational behavior, innovative management methods.

### **INTRODUCTION**

Changes in consumer behavior encourage the management of service enterprises to work out and implement new development strategies based on innovative principles and aimed at expanding the range and improving the quality of services, as well as minimizing the risks of adverse events. All this necessitates the implementation of systemic organizational changes affecting the structure of organizational, resource and personnel subsystems. In the process of adaptation of service enterprises to

the changing conditions, innovative management strategies, a certain type of organizational structures, which are characterized by a dynamic equilibrium between the processes taking place in the environment and the system, are formed. These processes reflect the management's ability to readjust in a timely manner, flexibly and adequately respond to the dynamics of the changing operating environment through innovative management actions (Hofstede, Hofstede & Minkov, 2010;

Zagidullina, Romanova&Mironova, 2009).The effectiveness of economic reforms in the service sector is largely determined by the strategic focus of the management system, allowing enterprises to adapt to the changing conditions in the process of their functioning and development. The common and the most important property of all services is their direct and inseparable connection with human: services are produced by a human and to meet human's needs. The society is dependent on the personal qualities of workers, managers and engineering and technical workers in the service sector, on their professional competence, responsibility, and decency. The price of knowledge, skills and professional competencies of the employee's responsible behavior, depending also on the level of his intelligence, emotional maturity and mental state, increases many times.All this makes it necessary to conduct new research for the purpose of scientific justification and an innovative management strategy for service enterprises aimed at identifying trends in the sustainable development of industry enterprises in conditions of dynamic changes and high uncertainty of the external environment.In the new economic conditions, the desire of enterprises to survive in a tough competitive struggle, to ensure a stable development perspective, makes them take care of the introduction of new equipment and technologies, the development of innovative processes. The introduction of innovative management methods requires a change in the content of training specialists in the service sector in order to form the key competencies required by such specialists in modern conditions.It should be noted that the use of foreign management experience in the training of managers in the service sector will be successful only if national and cultural aspects of the organizational behavior of Russians are taken into account. In studies of J. Coleman (1988), P. Bourdieu (1986) it was shown that not only formal institutions (laws, regulations) play an important role in the innovative development of the services market, but also the

specificity of the social and cultural potential of the industry.

## RESEARCH METHODOLOGY

In the process of the research, the following research methods were used: study and generalization of the experience of training guides, teaching foreign languages for special purposes in pedagogical theory and practice, the method of expert assessments, analysis of the results of students' activities in the programs of advanced training and professional retraining, diagnostic techniques, pedagogical experiment.The conception of the research uses fundamental principles and principles of management theory, the sociocultural management concept, the theory of innovative development of economic systems in conditions of increasing complexity and dynamism of the external environment, on the basis of which conditions and mechanisms for the formation of an innovative management system in a service enterprise were identified.

## RESULTS

Formation and development of the human capital of the organization, as one of the directions of the innovation strategy for the development of service enterprises

It is known that the common and the most important property of all services is their direct and inseparable connection with human: services are produced by a human and to meet human needs. In the production of the service, the consumer is influenced by personal qualities, especially the communicative abilities of all the personnel of the organization performing direct interaction with customers (Ağralı,Taşkın&Ünal, 2017).

Thus, the successful operation of the service organization will be directly determined by the level of development of the workforce, which consists of experience, staff knowledge, qualifications, ability to develop judgments, conflict management skills and decision-making skills.Updating the management system is a prerequisite for achieving the necessary parameters of the service enterprise's activities, manifested in improving the quality of its

activities, the mode of operation and development. The innovative model of personnel management in the service sector is based on the provisions of the sociocultural management concept, which, in turn, is founded on the formation of staff values based on the basic provisions of the company's organizational culture, the development of self-organization mechanisms and self-management of managers on the one hand, and of employees on the other. In the uncertainty caused by the economic crisis, rapid and often irreversible changes in the economic sphere outstrip not only the corresponding changes in managerial schemes and organizational structures in the service sector organizations, but also significantly outpace the more inert processes of changing the individual and, accordingly, collective consciousness of workers in the industry (Mironova, 2016).

Innovative change in the management system of the service industry organization takes place on the basis of the formation of new organizational structures and profound changes in the content and methods of management (Savin, 2009). The process of creating and implementing mechanisms for the functioning of the innovative personnel management system in the service sector at the theoretical and empirical level reflects the logic and methodology of system analysis and the synthesis of managerial innovations. At the same time, the type of adaptation of a business entity to changes in the external environment is determined by the characteristics of the corresponding managerial innovations that act as regulators of subject-object interactions, which are the most important component of the business process. One of the most important areas of innovation management is the formation and development of the organization of human capital based on the development of the specialists' qualifications (Coleman, 1988; Yeleneva et al., 2015).

Introduction of new methods of work in the practical activity of service specialists based on innovative principles of interaction between service consumers and enterprise employees inevitably encounters the problem of training and development of personnel responsible for

carrying out changes in this field. At present, the formation of a strategy based solely on the analysis of the environment and the identification of the main trends in its development is losing its relevance, as the rate of changes increases, coupled with the growing uncertainty of future events. Therefore, more and more often in the search of a competitive advantage, organizations look "inside themselves", while trying to identify those capabilities, developing which you can save and improve your competitive positions.

Key competences of the innovative personality of specialists in the service sector

Formation of key competencies of the innovative personality of specialists in the service sector is the most urgent task of innovation management. In fact, in any enterprise there is an unlimited number of acting and potentially necessary skills and knowledge, so that their creation and acquisition can be rather chaotic (Dhar, 2016). In a company striving to become competitive, the development of key knowledge and competencies, caused by the need to adapt to the external environment, should be consciously managed by its managers (Shanker et al., 2017). For this, they must at least monitor the changes occurring in the environment, formulate goals and objectives and ensure their achievement.

In this regard, it is possible to distinguish three main groups of key professional competencies necessary for the successful operation of an employee and a manager of any level of a service enterprise:

- technical skill, i.e. the ability to apply the acquired knowledge in practice;
- communication skills;
- conceptual skill based on the ability to analyze complex situations and identify problems, the ability to find alternative approaches and choose the optimal solutions among them.

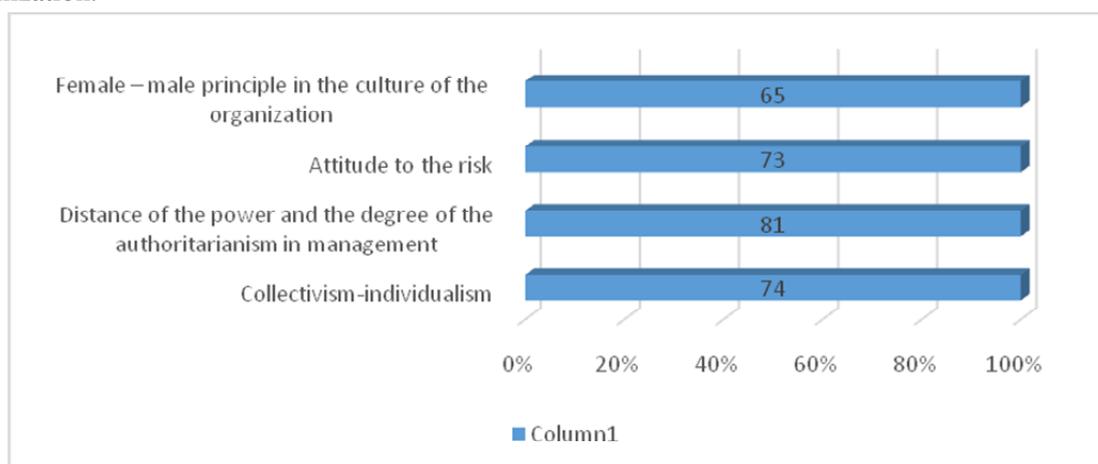
The problem of national-cultural characteristics of Russian citizens and the choice of appropriate forms and methods of effective management and communication requires serious research. Nevertheless, some general conclusions about the existence of the control system of Russian

national-cultural values have been made (Lewis, 1999).

G. Hofstede(2010), the most famous researcher of the interethnic aspect in the management, analyzed the data on the ethno-cultural characteristics of representatives of different cultures and came to the conclusion that they differed on the basis of four criteria:

- Individualism / collectivism;
- Attitude towards the authorities;
- attitude towards risk;
- female–male principle in the culture of the organization.

An author's questionnaire was compiled to identify quantitative indicators of these criteria and a survey of 112 employees and 14 managers of all levels of enterprises in the sphere of housing and communal services of the Republic of Tatarstan (Russian Federation) was conducted. According to the results of the study, the authors of the article identified national and cultural features of organizational behavior of workers in the housing and communal sector, which are represented by the following indicators (Figure 1).



**Figure 1:** National-cultural characteristics of organizational behavior of workers in the housing and communal services of the Republic of Tatarstan (Russian Federation) (the number of points for each issue ranged from 0 to 100)

Thus, according to Fig. 1 it can be seen that the characteristic feature of the national cultural peculiarities of the organizational behavior of workers in the sphere of housing and communal services of the Republic of Tatarstan is that ,for the most part, workers rely on protecting their own interests on the part of the leadership of the organization or the state (the " distance of the power " answer option and the degree of authoritarianism in management "received the highest rating of respondents - 81 points).A high indicator of the distance of power demonstrates significant differences in the perception and construction of behavior models for workers of different social status. Employees demonstrate, as a rule, special reverence for their leaders and prefer not to show initiative. The desire to minimize risks is also a significant feature of workers in the sphere of housing and communal services. This quality is manifested in the desire to control the situation, as well as the

development at the enterprises of the industry of a large number of instructions and rules regulating the behavior of employees. At the same time, it can be noted that the respondents show a considerable degree of intolerance to innovations, non-standard solutions, unusual forms of behavior that do not fit in the established framework. Development of programs for upgrading skills and trainings for employees of service companies, taking into account the characteristics of their work activities According to the authors, this is directly related to the features of employment in the service sector, and above all, with a high level of burnout of employees, which is fixed in the research of one of the authors of this article (Mironova&Egorov, 2014). The main reasons for this phenomenon are called public dissatisfaction with the quality of housing and communal services, administrative barriers (power distance), the relatively low level of

wages in constant emotional stress of employees due to their high communicative activity (Panchuk, 2010). The consequences of emotional burnout are a decrease in staff motivation, which negatively affects the financial and economic performance of the enterprise. In the organization staff turnover, absenteeism (absent from work without reasonable excuse), the number of conflict situations increase, which reduce the effectiveness of organization's activities (Gorbunova, 2008). During the refresher courses with employees in the sphere of housing and communal services, trainings on stress management and conflict resolution in dealing with clients were held. To overcome the impact of stress factors, special attention was paid to the formation of internal positive thinking (Dementy, 2010). To do this, the staff reinforced positive attitudes of perceiving themselves as individuals, for example, I am a kind person; I'm a sociable person; I am a charming man; I can overcome all difficulties; The world is beautiful, etc. In the opinion of the authors of the article, the most effective introduction of methods for increasing the stress-resistance of the personnel in the service sector occurs when the norms of organizational culture are simultaneously developed with training, which determine the attitude of the employees to the work they carry out. To such norms it is possible to carry the following: priorities in the achievement of personal goals of the worker and the organization; order; discipline; fencing from unnecessary information; stress management through recreation. At the same time, the formation of the values of the organization internalized by each employee will be of great importance: sport as a norm of life, positive mood, aspiration for personal and professional growth, spirit of collectivism.

Understanding of the specific features of social and cultural capital is necessary for the design of formal rules for the purpose of harmonizing the institutional environment of service enterprises in the context of the introduction of innovative management processes (Sabuncu & Karacay, 2016). According to B. Santo's hypothesis, the

steady decay of the innovation process at the stage of transforming ideas into results is due to the high level of administrative barriers (Santo, 2005). Obviously, eliminating bureaucratic pressure on private business in the service sector will affect the economic interests of officials at all levels. As a consequence, the problem of the blocking effect is acute, when laws and regulations that impede the increase of public welfare continue to operate, as the groups that are interested in their preservation are formed within the administrative and economic system and prevent this reduction of the "distance of the power" indicator. In the process of adaptation in conditions of changes in the external environment, service organizations form a certain type of organizational behavior and organizational structures that are characterized by a dynamic equilibrium between the processes taking place in the environment and the system (Kim & Lee, 2013). These processes reflect the ability of the control system in a timely manner to be reconstructed flexibly and appropriately adjust to the dynamics of the needs and interests of the environment, be sensitive to the changing conditions of activity and emerging innovative problem situations (Fonotov, 2010).

## DISCUSSIONS

Previously, the authors of the article repeatedly wrote about the need to improve the system of training personnel for the service sector. In continuation of these studies, in this article, based on the use of a methodological approach to the formation of an innovative system of personnel management in the service sector, it is justified that in conditions of dynamic changes and uncertainty of the external environment, the basis for the formation of an innovative strategy, of human resources and personnel management is the provision of a high level of employees' professional competences on the basis of improving their skills, which becomes in modern conditions an important prerequisite for the creation of an effective system that produces high-quality services. In addition, as a result of the studies reflected in this article, the authors justified the existence of a direct link between the formation of emotional stability in improving the performance of workers in the

service sector, the assimilation of the norms and values of the organization by employees should be reflected in the construction of a management system for organizations of this sector.

## CONCLUSION

In conclusion of the article it should be noted that managerial innovations, acting in the form of implementing innovative management, are designed to provide not only a qualitative change in the personnel of service enterprises, but also a progressive transition to a qualitatively new level of its activities. Thus, the main direction of the development of the service sector should not be the desire to find financial means and to fill them with a knowingly inefficient mechanism for the functioning of enterprises in the sector, but the development and implementation of managerial innovations aimed at shaping and increasing the efficiency of the use of human capital, employees, resulting in increased profitability of enterprises and increase their investment attractiveness.

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