

УДК 331.101.3:334.78(510)

ECONOMIC LEVERS MOTIVATING EMPLOYEES OF TRANSNATIONAL CORPORATIONS: THE EXPERIENCE OF CHINA**ЭКОНОМИЧЕСКИЕ РЫЧАГИ МОТИВАЦИИ СОТРУДНИКОВ
ТРАНСНАЦИОНАЛЬНЫХ КОРПОРАЦИЙ: ОПЫТ КИТАЯ****Bashlai S. V. / Башлай С. В.***s.e.s., dots. / к.э.н., доц.*

ORCID: 0000-0002-2247-5440

SPIN: 0000-0000-2621-0781

*Sumy National Agrarian University, Sumy, G. Kondratieva, 160, 40000**Сумский национальный аграрный университет, Сумы, Г. Кондратьева, 160, 40000***Xu Shenglan / Сюй Шеньлань***Sumy National Agrarian University, Sumy, G. Kondratieva, 160, 40000**Сумский национальный аграрный университет, Сумы, Г. Кондратьева, 160, 40000*

Summary. *The article examines the economic and organizational factors of motivating employees to increase labor productivity in transnational corporations. Despite the fact that the organization of labor in such companies is carried out taking into account international experience and the territorial characteristics of the country in which the production facilities are located, the links between the factors of motivation and labor results have become closer and intertwined.*

The subject of the research was the peculiarities of labor relations in the teams of large international companies of Chinese origin or based on the territory of this country.

Based on the results of studying the experience of China, the article outlines strategic and practical ideas about individual economic factors that can increase labor productivity, and also indicates the degree of relationship between motivation and personal interest in the work of employees of transnational corporations.

Key words: *economy, transnational corporation, motivation, labor productivity.*

Introduction.

The relationship between multinational companies and human resource development is complex and multifaceted. At the same time, the main impact on human resources development is reflected in the field of education and training.

In the first case, the role of multinational companies is often limited to appropriate investment in higher education, especially in business management. TNCs contribute to the training opportunities they provide to their employees in various forms. Such training can be useful for developing countries and those countries where professional, technical or managerial skills are limited.

Today's Chinese companies have focused on the reliability of their products or services in order to meet customer expectations and use resources more efficiently. By becoming more technologically advanced, entering the value-added product market and improving the skills of their employees, many Chinese companies have faced the severe impacts of globalization.

In turn, multinational companies that have entered the Chinese market provide various forms of training for all categories of workers, although the main focus is on management and technical personnel. Evidence suggests that the size and scale of international businesses allow them to provide their employees with significant formal and non-formal learning opportunities. Moreover, training provided by international companies is often associated with new or different production and management methods.

In 2019, the "40 Years of Multinationals Investing in China" Report published by the Chinese Academy of International Trade and Economic Cooperation of the Ministry of Commerce at the first summit of multinational leaders in Qingdao states that 961,000 foreign-owned companies had been established in China at the end of 2018, while the actual used foreign capital amounted to 2.1 trillion USA dollars. Since 1992, China has become a developing country that has absorbed most of the foreign capital for 27 consecutive years. In the ranking of the best investment destinations for global multinationals from 2017 to 2019, China continued to rank second in the world and first among developing countries (Gu, Zhang, Ma 2019, 29).

Over the past 40 years, the investment structure of transnational corporations has been continuously optimized, showing characteristics that are highly consistent with China's economic transformation. In the early stage of reform and opening up, foreign investment was concentrated in labor-intensive manufacturing.

In 2011, the use of foreign capital in China's service industry exceeded that of manufacturing for the first time. In the first seven months of 2019, the actual use of foreign capital in the high-tech service industry, which focuses on R&D and design, scientific and technological services, and inspection and testing services, was 97.39 billion Yuan, a year-on-year increase of 63.2 %.

With the deepening of globalization, many companies choose to explore overseas markets and establish transnational corporations to expand their scale and increase corporate efficiency. With the advancement of technology and the intensification of competition, excellent human resources have become a key element of competition for major companies. If transnational corporations want to gain market share and gain sustainable competitive advantages in the fierce market competition, they must pay attention to the issue of employee incentives. Improve the employee incentive system, so as to promote the self-growth of employees and realize the sustainable development of the company.

Main text. Consider the practice of using elements of employee motivation as a component of an incentive mechanism using the example of trade transnational corporations in China. Most of the Chinese trading companies use the following material forms to support and care for their employees.

In the consolidated statements of international companies operating in China, you can see information related to employee retirement benefits. This data reflects the level of support of the companies of their employees for the future. The next element of such concern on the part of multinational companies is life insurance, as well as medical insurance for their employees.

In addition to medical benefits for eligible full-time and part-time workers, companies offer maternity leave and a paid parental leave program for all full-time employees. In some trading companies, employees can receive an allowance of 5-7 thousand USA dollars to adopt a child. In addition, eligible workers are offered assistance with paying for college. Similarly, in the operations outside the China, providing a variety of associate benefits that vary based on customary local practices and statutory requirements.

Companies respect the work of employees and promote the concept of cooperation. In some network corporations, pay rates have no advantages but a profit-

sharing plan and a remuneration plan can compensate for the loss of fixed-wage employees, and employees generally receive more benefits.

Employees must not only think about their own income, but also see the company's problems and solve them. Another material incentive is that trade company combines the results of its employees with the annual salary. The efficiency of the store is good, and the level of salaries of store employees is also increasing.

Intangible instruments of effective influence on the behavior of their employees in transnational trading companies in China include the following forms of influence.

Maslow's theory of the hierarchy of needs may reflect that in addition to rigid needs such as survival and peace, the needs of respect and self-realization at the end of the pyramid are very important for employees who have ideas (Wang 2014, p.54).

When a successful company implements its employee incentive plan, it formulates an incentive system suitable for the development of each employee, according to the different types and characteristics of each employee, taking into account the individual differences between employees. To do this, it is worth conducting a thorough analysis of employees with different characteristics, identifying effective factors that can motivate them, identifying the basic needs of employees, applying various incentive methods and implementing targeted incentives (Xiaodong 2016, p.32).

That's why company also attaches great importance to effective communication with employees: managers spend as much time as possible to get closer to lower-level employees, listen to their internal requirements and realize the self-worth of each employee. In the company, managers are encouraged to go down to the grassroots level, and communication with employees has always been a priority. The doors offices are often wide open, and even some offices do not have doors. Employees with ideas are invited to go in and talk to managers face to face. This not only shows respect for employees, but also confirms their own dignity in the company.

Some Chinese companies have a rule that, regardless of status, with good initiatives, such employees have the opportunity to advise the company. The company is very happy to provide employees with a platform so that every employee has the opportunity to stand in the perspective of managers, show their talents and receive an honest and fair treatment. Many managers have risen from the bottom of the staff, and their loyalty to the company is much higher than that of externally recruited employees. In addition, some international companies use performance appraisal systems. In particular, they create a set of systematic standards for evaluating employee performance. They are informed of the result during the assessment, analyzing the real reasons affecting their performance. As a result, employees know not only that their results are unsatisfactory, but also understand what their problems are. Over time, poorly rated employees may become frustrated and feel like their current work is useless. In order to change the attitude of such an employee to himself, he needs to change his attitude to his work.

The thinking, culture, personality, and other factors of each employee are different, and each is destined to be different. Generally speaking, women workers are more concerned about the working environment and stable wages, while men are more inclined to their own space for promotion and prospects for corporate

development. Therefore, when companies develop employee incentive plans, they must take into account the company's own characteristics and differences in the nature of employees, understand the real needs of employees and allow employees to play a better role in motivation.

Conclusion and conclusions. It becomes obvious that the material incentives are short-term. Spiritually encouraging employees can make employees feel satisfied for much longer. The combination of both methods helps to retain talent and develop its potential value. It is not enough to simply rely on material or spiritual motivation, and neither will have long-term consequences.

In particular, in today's rapidly evolving material society, everything is becoming more expensive, and the purchasing power of the Yuan is getting lower and lower. In enterprises, without proper financial incentives, it is impossible to guarantee the quality of life, let alone work enthusiasm. If there are only material rewards, people will become empty and their enthusiasm will weaken. Material incentives can meet people's basic needs, and spiritual incentives can meet people's spiritual needs, such as respect and self-realization. Therefore, only a combination of material rewards and spiritual rewards to motivate employees can effectively improve their performance. The impact of incentives should not be underestimated, whether it improves the company's performance or fully exploits the potential of employees. As long as the company forms the right business concept, adopts a set of objective and systematic incentives and applies targeted incentives, employee incentives will have a big effect. Although there are still some obstacles to the introduction of corporate incentives, they are not insurmountable. In our opinion, properly motivated employees are a strong weapon of success for a transnational company, no matter in which country or field of activity its interests are represented. Managers take full account of the employees' situation, formulate appropriate remuneration and incentive plans, and encourage employees' personal goals to achieve corporate goals. Thus, the company can achieve its goals, while being aware of the self-esteem of employees.

Literature:

1. Gu, X., Zhang, W. and Ma, Y., (2019). Multinationals in China: 40 Years of Investment. *Ministry of Commerce of the People's Republic of China*. Access mode: <http://english.mncsummit.org.cn/u/cms/www2/201910/191652025o6h.pdf>
2. Wang, J., (2014). The Application of Incentive Theory in Enterprise Management. *Enterprise Reform and Management*. (4), 54-55.
3. Xiaodong, P., (2016). Encourage the professionalism of employees. *Printed Magazine*. (3), 30-37.

Аннотация. В статье исследуются экономические и организационные факторы мотивации сотрудников к повышению производительности труда в транснациональных корпорациях. Несмотря на то, что организация труда в таких компаниях осуществляется с учетом международного опыта и территориальных особенностей страны, в которой расположены производственные мощности, связи между факторами мотивации и результатами труда стали более тесными и переплетенными. Предметом исследования стали особенности трудовых отношений в коллективах крупных международных компаний

китайского происхождения или базирующихся на территории этой страны. По результатам изучения опыта Китая в статье изложены стратегические и практические представления об отдельных экономических факторах, способных повысить производительность труда, а также указана степень взаимосвязи между мотивацией и личной заинтересованностью в работе сотрудников транснациональных корпораций.

Ключевые слова: экономика, транснациональная корпорация, мотивация, производительность труда.

Статья отправлена: 07.12.2020 г.

© Башлай С. В.