Human Resource Development in the Context of Global Trends

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Abstract. The crisis generated by the COVID-19 pandemic has revealed both threats and opportunities for human development in a new reality. The key point is the recognition of the importance of the policy of creating and investing in human capital. Education is the main tool for developing human potential and equipping young people with the skills to respond to new opportunities. When the education system is adequate to the existing reality and its demands, it can become a powerful tool for changing the social climate and economic landscape. To strengthen sustainability and protect the well-being of future generations, Governments need to take urgent policy measures and invest in human capital. Digital education and job opportunities accompanying global trends promise to democratize access to skills and jobs.

1 Introduction

Human capital — health, skills and knowledge embodied in people — develops throughout life, however, its most effective formation occurs in youth. This is due to the high plasticity of the human brain, the high level of cognitive abilities and the fact that the level of perception in young people correlates with the level of expectations from the effectiveness of their development. As a rule, they are expected to engage in activities that intentionally develop skills and any disruption to the process of building human capital has long-term consequences. The last few years have opened up a harsh new reality in which crises are the norm, not the exception. Pandemics, economic downturns and geopolitical events were once the ultimate risks, but in recent years all these factors have struck intertwined. COVID-19 alone has put millions of lives and livelihoods at risk, and its effects have already undermined decades of development gains.

“Collapse and recovery: How COVID undermined human capital and what to do about it”, which analyzes the impact of the pandemic on young people, emphasizes the multidimensional and complementary nature of human development [10]. Health, education and skills that people acquire at different stages of their lives, build and depend on each other. In order for human development systems to be effective, they must recognize and exploit these intersecting links. In other words, they must be flexible, resilient and adaptive. Millions of young people who entered the phase of economic activity were dropped out of

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the labor market or entered in less competitive positions and limited opportunities in the future. The pandemic has undermined the achievements of many years of achievements in the development of human capital.

For several years, employees and employers have been trying to keep up with global trends, such as automation, actions against climate change, digitalization of products and services, as well as the reduction and aging of the workforce [9]. In addition, the COVID-19 pandemic has led to massive disruptions in the workforce, challenging the importance of physical intimacy and business models of education.

Numerous studies indicate the increasing importance of managerial quality and managerial practice in explaining the significant differences in the development of different countries and different regions within one country. The human resource plays a dual role - it is practice and management skills, and quality, and labor productivity. However, despite productivity growth and improvements over the years, in general, existing indicators of human capital still do not reflect its complex nature. Indicators of the development and use of human resources are the overall result of actions in the spheres of political activity that affect the supply of labor, determine the demand for labor and the functioning of labor market institutions.

The cost-of-living crisis, including rising food and energy prices, is affecting the structure of government spending, including cuts in the education budget [11-12]. The unpopularity of these decisions is obvious, since the economic dividends from education materialize only decades later. To strengthen sustainability and protect the well-being of future generations, Governments need to take urgent policy measures and invest in human capital.

Improving governance and the use of innovations and technologies can reorient fiscal policy into human capital outcomes. Research shows that simply increasing spending on education or healthcare does not necessarily lead to better outcomes. There is a need for clear evidence-based policy prioritization; a focus on results and accountability for results, facilitated by digital technologies; and close coordination between ministries, departments and jurisdictions.

In this context, countries should upgrade the skills and productivity of their workforce and be ready to recruit young global talent [13]. Consequently, many employees will need to change their profession, be ready for changes and offer their skills in the labor market and constantly modify their professional career strategies. Given these trends, education and training systems should provide employees with the skills to adapt, learn and respond to every challenge that the labor market throws.

2 Research Methodology

The prerequisite for the creation of the human capital of the economy is the infusion of investments into it at the meso- and macro-levels, which is associated with the assessment of the social return on investment, but this is difficult for objective reasons [1]. The human resource must be considered in the unity of the factor and the goal of the development of the individual, family and society. The human resource should be studied as an integral system. To evaluate a human resource, the following parameters are used: knowledge; skills; organization; morality; creative activity, which together forms a competence approach. The competence approach is associated with the transition from quantitative to qualitative criteria for assessing the human capital of an innovative economy, which requires the development of an appropriate set of evaluation tools and tools. Thanks to strategic investments and focus, the indicators that stagnated in 2020 can begin to grow again.
Human capital has been identified as one of the main factors contributing to the dissemination of existing knowledge and technologies. It has also been shown to play a complementary role along with other determinants of growth, in particular, trade openness and R&D, emphasizing the importance of a skilled workforce in the adoption and dissemination of new technologies. These findings were supported by firm-level studies that identify and record specific characteristics of employees.

For example, recent OECD work on the human side of productivity shows that management practices and skills, along with gender and cultural diversity, play a particularly important role in determining productivity growth [8]. However, despite improvements over the years, existing indicators of human capital still do not reflect its complex nature. Efforts to develop more robust measures are key to shaping economic policy on supply, skill development, and matching skills and other human characteristics with productivity.

The development of such an approach is associated with the actualization of the task of ensuring the demand for human potential, its compliance with the promising human resources needs of the innovative economy. An integrated approach to investment in human resources is characterized by a combination of indicators and characteristics of various approaches in the areas of its development: formation, accumulation, use.

In general, the development of human resources in the economy within its defined and dependent methods can be assessed using a set of specific indicators. It should be noted that in order to assess human resources in the interests of innovative development, the system of methods should be structured in more detail.

3 Results and Discussions

Digital education and job opportunities accompanying global trends promise to democratize access to skills and jobs [14-15]. However, such opportunities are not available to most young people. Many young people enter the labor market without the necessary skills to thrive in an increasingly competitive digital global economy.

Even those who have received higher education are not exempt from skill gaps. The results of the OECD’s 2018 International Assessment of Adult Competencies (PIAAC) Program show that, on average, university graduates from countries such as Turkey, Chile and Indonesia demonstrate the same levels of proficiency in numeracy, literacy and problem-solving skills as high school graduates in Japan or the Netherlands. The results of the Columbia SAVER PRO Assessment, a large-scale competency-based assessment for university graduates, show that 25 percent of all students who graduated in 2019 did not have good critical reading skills. Despite having a higher education, these graduates probably won’t be able to compete for high-performance, high-paying jobs. Thus, the level of education is no longer a good indicator of skill development [8].

The main problem is that education systems do not always guarantee that students develop a good set of skills. These fundamental skills are necessary for people to develop other higher-order cognitive skills that are in high demand, such as communication, problem solving and information analysis. The available results show that 60 to 75 percent of the workforce does not reach the minimum level of proficiency in basic literacy skills. This phenomenon is not unique to low-income countries. PIAAC results conducted in 2018 in more than 40 countries show that 20 percent of adults (16-55 years old) in the labor force of OECD countries do not reach the minimum literacy level of [9].

In the context of digital transformation, the importance of human resource development increases significantly, linking the educational process with real management tasks.

The level of competitiveness of the innovative economy of Russia in the forecast period up to 2030 is determined by the quality of training of professional personnel, taking into
account the state priorities of economic development. This will be facilitated by the introduction of innovations, increasing the level of cooperation, the development and introduction of new technologies, changing the formats of interaction among enterprises and organizations to improve labor efficiency and its quality.

The state program for the development of education for the period up to 2025 focuses on the creation of infrastructure that provides conditions for training specialists for the modern economy [16]. For the implementation of this project, it is important to develop programs for the development of scientific and technical competencies, a complex of psychological and pedagogical sciences and humanities, in particular, linguistics, cross-cultural communications, etc. Improving the quality of the workforce based on professional mobility is the main condition for the economic development of Russia. First of all, it is the introduction of new educational technologies that contribute to the development of the innovative potential of the education system within the framework of the implementation of coordinated tasks of the state educational policy, as well as the formation of a popular system for assessing the quality of education and educational results.

The number of research staff is one of the indicators of "human capital", and in developed countries, according to the World Bank, there are at least 4 thousand people per 1 million [4]. The number of researchers is growing all over the world, with the exception of Russia. The largest number of them are in China, the European Union and the United States. In 2018, South Korea overtook our country in this indicator [5]. It is noteworthy that the number of scientific personnel in Russia continues to decline: in 2021, the number of people employed in research and development decreased by 2.4%, to 663 thousand people [7].

The stability of the state and society depends on the effectiveness of the functioning of the education system – it forms the basis of all processes taking place in the country. The conditions of the modern world are changing the content and meaning of the educational process. The educational market is changing rapidly. Rapid and sometimes unexpected changes are also taking place in the labor market. Special attention should be paid to the active and reserve part of the labor potential in matters of adaptation to new working conditions and retraining, the promising part - in matters of education and training in the long term. There is a difficulty in predicting the educational outcome.

Global research systems are developing faster than humanity. The fact is that global trends are increasingly determining the scientific agenda of our time. But not only the contribution of higher education to the development of society has cultural differences and differences between countries. Research concepts and policies of independent contribution of higher education differ in each country and scientific school. In Russia, collective goods related to social goods are recognized as public goods. They determine the nature of general social development: social solidarity, equality, human rights and dedication, social and geographical mobility (freedom of movement), general knowledge and the opportunity to participate in discussions. Political culture is also different: the role of the state (as a government structure), the responsibility of officials in the field of vocational education.

The presented ratio for Russia can be explained by the outstripping development of human capital in other countries against the background of international integration and globalization of the economy (for example, over the period from 1990 to 2020, the human development index of Russia increased by 12.1%, while Russia dropped in value of this indicator from 31st to 50th place in the world) [17]. A similar situation is recorded in the USA and Japan. Norway, Germany, Poland, China, etc. have significantly strengthened their positions in the international field of human capital formation over the 20-year period under study [1].

In the Russian state development programs, first of all, in the Strategy of Scientific and Technological Development of the Russian Federation (SSTD) and the Main Activities of
the Government of the Russian Federation for the period up to 2024, the emphasis is placed on the innovation cycle, reducing brain drain, when public investments in human capital actually ensure the growth of competitiveness of other economies. The SNT did not initially specify targets, but it is supposed to monitor the state and effectiveness of the sphere of science, technology and innovation.

Economic growth investments in technology and fixed capital require the development of the education system to provide the economy with qualified workers through investments in human capital. The key point is the need for countries to adhere to the policy of creating and investing in human capital.

A well-functioning system is one that can go into effect the moment a shock hits, ensure that basic services such as healthcare and training remain uninterrupted, and have the flexibility to evolve as needs change, such as social safety nets that are being scaled up to meet urgent needs. Since services are provided by different individual sectors, human development systems should be able to effectively coordinate their activities between sectors.

Immediate investments are needed to reduce permanent losses and position human capital for economic recovery [17]. It is extremely important to create a new ecosystem in the field of education, which will be aimed at an integrated approach to the creation of a professional pipeline of a student, and in the future - a young specialist, in order to create his own career pipeline during training and further support. The responsibilities of employees for the creative development of the economic system have led to the need for actual and largely investment-dependent management of the human capital of this creative economy.

Some efforts have already been made, career and employment centers have been opened in 207 subsequent universities of the Ministry of Education and Science of the Russian Federation in 79 subjects of the Russian Federation, of which more than 60% of students and graduates apply annually. The Career and Employment Center provides career advice and job search assistance through training organizations and the practice of work adaptation activities, ongoing planning and assistance in interviews, as well as providing career advice.

Global trends such as automation and robotics, actions against climate change, digitalization of products and services, geopolitical and demographic processes (including the reduction and aging of the workforce), in addition, the COVID-19 pandemic have led to systemic changes in the requirements for the quality and quantity of human resources. These realities require the workforce to quickly change professions, skills of rapid learning and adaptation, retraining, mastering related fields of activity, independent and other innovative forms of employment, mastering flexible roles and permanent building of their professional career strategies, and much more. However, the most sought-after skills of the employee of the future will be empathy and professionalism, oratorical skills, language proficiency, proactivity, critical thinking and the ability to analyze. This is a kind of challenge to the existing model of education.

Directions of integration of the education system into socio-economic development:
- the production of new knowledge through research activities and the use of the potential of new technologies;
- knowledge transfer through education and human resource development;
- contribution to the economic and social development of territories by promoting the development of innovations at the regional and national level.

Special attention should be paid to the active and reserve part of the labor potential in matters of adaptation to new working conditions and retraining, the promising part - in matters of education and training in the long term. The formation of the state policy on the development of innovative forms of employment requires the active participation of the labor market regulation policy of all its subjects [15].
This is especially relevant in connection with the specifics of the career trajectory of university graduates in Russia, who at the initial stage of their work often change the vector of professional activity to diametrically opposite spheres of labor application. Which can be explained by the weak development of the career guidance sphere. Positive experience should be studied and adapted to the conditions of other regions, which will avoid mistakes and problems, and will also help to increase the attractiveness of the education system as a sector for investment.

The consequences of this have various manifestations - economic, social and psychological aspects. The economic aspect is manifested in the inefficient spending of funds spent on higher education, to a greater extent, by the state, based on a significant number of budget places allocated by the state within the control figures of admission of applicants. For example, starting from 2021, the formation of admission control figures in Russia is carried out taking into account the need to provide 50% of school graduates with budget places for full-time education [2]. The social consequences are manifested in the fact that the unrealized opportunities of higher school specialists project an increase in middle-level workers. Higher education thus narrows its function of social mobility. In the psychological aspect, the demoralization of a young specialist in connection with the collapse of career hopes, with the change of certain status positions, the limitation of the possibilities of using a social elevator leads to his moral dissatisfaction.

In order to prevent such problems, it is advisable to develop the possibilities of professional orientation based on a systematic approach, and in order to neutralize the negative consequences, to focus on the development of the system of additional vocational education.

In both cases, the focus shifts to the labor market forecasting system, especially in terms of intersectoral movements. This will ensure that the trends and realities of the modern economy are taken into account as much as possible, as well as the influx of labor resources into specific sectors of the national economy.

In connection with the above, measures for the development of human resources in the modern economy are associated with the need to reduce the asymmetry of the labor market and should be of a comprehensive nature, being implemented within the framework of the following areas of state policy:

1) development and modernization of the education system taking into account the needs of employers and prospects for the development of the economy as a whole;
2) development and state support of self-employment of the population in the regions and activation of regional policy measures within the framework of national policy [3];
3) in order to balance spatial development, based on the principles of the allocation of productive forces in the implementation of large economic projects, it is advisable to take into account the availability of reserves of human resources.

The transition of the socio-economic space into the field of new socio-industrial sustainability, with all the acuteness raises the question of the formation of a new production structure of the economy and, in this regard, the system of human resource development is of particular importance. From this point of view, the acquisition of a new profession should and will happen very quickly, and therefore public policy measures in this regard should be proactive.

4 Conclusions

To characterize modern world trends, an increase in the role of education in society is considered. Education, first of all, determines in many ways the standard of living and quality, social progress of society. Also, education significantly affects the economic growth of the country and the increase in competitiveness. One of the most important state
tasks is to improve the quality of education and the efficiency of educational organizations. Modern education systems should focus on helping students develop the fundamental skills needed to pursue many professions during their careers and adapt to new technologies. Human development systems should be able to effectively coordinate their activities between its sectors, as well as between ministries, departments and jurisdictions. In the medium term, a sustainable economic recovery depends on further improvements in universal health coverage, early childhood development, education and skills development, relevance of higher education to the labor market, adaptive social protection and economic empowerment of women. Securing resources for human capital priorities may include finding a place within existing budgets and implementing cost-effective reforms.

The development of the educational services market plays an essential role in the strengthening of competition between educational institutions, through which there is a need for more effective management and use of their financial, material, technical and labor resources. The ability to make decisions on tactical and strategic tasks, as well as management decisions, determines the need for self-assessment of educational institutions. The importance of evaluating the effectiveness of an educational organization increases precisely in these conditions. Increasingly, educational products are required to be able not only to start learning immediately, but also to carry it out at their own speed. Of course, with mass training, this is possible by increasing the frequency of group launches and splitting the program into modules. In these conditions, it is necessary to develop, firstly, the general ability to see the future and anticipate the development of technology; secondly, the partnership between the university and the employer, thirdly, the flexibility of universities and mentoring, participation in the educational process from the industry.

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