

UDC 339.138

## FEATURES OF INVESTING IN HUMAN CAPITAL OF PETROCHEMICAL COMPANY

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**Abstract.** *For petrochemical enterprises as an object of investment were defined peculiar properties of human resources. The structure and content of a business plan sections of investment project on human resources development of petrochemical enterprises, which are oriented on strategic targets achievement were suggested.*

**Keywords:** *human capital, petrochemical company, investment*

Human resources are the base of potential resource of a modern industrial enterprise, as well as it is a major factor which defines its competitiveness. Meanwhile, last time in Russia the growth of salary was exceeding the working efficiency, which can result in economic crisis in whole. It is also typical for enterprises of petrochemical complex being the essence of country permanent budget formation.

Circumstances are obviously said to define the necessity of considerable investments in human resource development of petrochemical enterprises and its adaptation to modern technological and economic conditions of business conducting. However, on the one hand, as the analysis defined, financial state of several domestic petrochemical enterprises doesn't permit to use own considerable funds for financing large investment projects for potential human formation and development. On the other hand, the mobilization of external financing sources is hampered due to absence of recommendations for business plan working out of such investment projects, which could permit to evaluate the efficiency level, the reasoning and the accessibility of investment target in human resources to external investors.

Obviously, that the whole structure of business plan for investment project of petrochemical enterprise human resources development should correspond to recommended structures used during description of business plan to realize real investments. Meanwhile, the composition of general sections should consider the peculiarity of enterprise personnel as an investment object. Said peculiarity covers the following [1]:

- inalienability of human capital from human itself;
- permanent using of investment results;
- it is reasonable to consider as an investment object from the side of enterprise only those employees competences which could be used directly in the process of enterprise operation in strategic perspective;

– it is difficult to define the start point of investments return and to formalize the values of cost efficiency;

– investments in human capital enhance the efficiency of using all other enterprise capital components, which is necessary to consider realizing the assessment procedure of completed investments efficiency.

In consideration of all above mentioned and relying on the method for guidance of the Ministry of Economic Development of the Russian Federation [2], the following structure and composition of investment project to form and to develop modern petrochemical enterprise of human potential can be proposed.

### **1. Project summary.**

This section covers the main aspects of the developed investment project. In this section, it is necessary to formulate the main advantages of the proposed project clearly. Note, the “summary” section is written simply and briefly using minimum of special terms.

### **2. Review of enterprise industry branch conditions.**

In this section, analyzing actual conditions and perspectives of branch development, it is necessary to define the role of personnel potential in enterprises competitiveness providing, as well as to define the main directions of its development.

### **3. Personnel market analysis.**

Obviously, on developing own enterprise human capital development program, it is necessary to implement the detail analysis of possibility to satisfy the demand for employees with required competences from external environment. Meanwhile, the necessity of investment project realization for enterprise human potential formation and development can be reasoned, on the one hand, on the impossibility to intake necessary personnel resources from external environment in view of their unavailability. On the other hand, it can be reasoned on the necessity of considerable costs, exceeding the budget of proposed project, in purpose of searching and employing of qualified personnel.

### **4. Project description.**

This section of business plan assumes the description of desired investment project result in the field of enterprise people ware. Meanwhile, it is reasonable to consider the following as possible investment directions:

– immediately enterprise employee itself. In this case, the project target can be the formation of specified employee competences;

– organized enterprise structure, which is oriented to develop the team. Accordingly, the result of realizing investment project in this sphere can be represented by such features of organized enterprise structure, which will permit, on the one hand, to conserve the employee's knowledge in enterprise by means of its transmission to other employees or by means of transformation of implicit knowledge to evident knowledge,

and on the other hand, to retain important employees by rising of their devotion to the enterprise;

- technical and methodical measures, which are necessary to organize the own personnel training system. In this case, the project of realizing target can be the creation of completed on-site system for training, retraining and advanced training of specialists.

Depending on selected direction in the frame of investment project, the following things could be analyzed: investments for personnel training and retraining both in-house and by means of enterprise external sources; investments directed to new employees intake; instuffing of manpower resources; purchasing of different training systems; researching for latent reserves definition; forming and financing the target order for high and specialized secondary educational institutes to train future specialists, etc.

In consideration of the personnel as an investment object, it should be considered that selecting the main investment directions, it is reasonable to orientate on the directions that will provide the human capital formation, which is necessary for tactical and strategic enterprise targets achievement. That's why in this section of investment project business plan it is necessary to show the connection between efficiency values of personnel potential, suggested to be developed, and tactical and strategic values of enterprise activity in whole [3]. As far as the enterprise is a part of such social economic systems as the region and the whole country, investment projects for enterprise corporative human capital formation should be developed in accordance with federal and regional programs, which may be also represented in this business plan section.

#### **5. Project realization plan.**

In this business plan section, it is necessary to specify both the features of enterprise human potential and the features of resources necessary for their development. For example, it should be defined if the enterprise has its own personnel training system, computer base and other element of necessary logistical support, if the enterprise has a license for such kind of activity, as well as licensed training software products and others.

#### **6. Marketing plan.**

This business plan section assumes, firstly, the analysis of market response on new competences of enterprise employees in the frame of which it is supposed to realize the investment project. Secondly, the definition of how the acquired employees competences will be used in marketing plan. Meanwhile, the following decisions are possible:

- during enterprise positioning, to specificate that it has the best personnel, takes care of its stuff and, as follows, products the goods with the best quality;
- during positioning, to appeal that the enterprise improves the social business orientation by means of human investment;
- during product positioning, it is stressed the additional profit, which is purchased by consumer using the production manufactured on the enterprise with competitive benefit in personnel sphere.

### **7. Organizing plan of project realization.**

In this section, it is considered such questions which are connected with project managing, such as organizing managing structure, responsibility centers and others. Also in this section it should be noticed the legal bearings, accounting of which is required by project realization. So, whether the investment project target is the personnel training and retraining, it is reasonable to foresee the necessity to conclude the long-terms contracts with employees, passed an educational course. Obviously, that the development and implementation of new personnel training system require the settling of questions connected with patents purchasing.

**8. Financial plan of project realization** assumes the definition of project financing sources and sums. Also in this section it is necessary to parallelize the main financial values of enterprise activity and the project results. Note, that at practice it is quite difficult to connect the enterprise human potential values and financial results of company activity.

### **9. Project risk assessment.**

Specificity of human resources as investment object defines the necessity of accounting the following risk groups during investment project to form and develop the enterprise human potential:

- probability of failure to implement (by objective and subjective circumstances) by employee of any employees group (in case of investment in team formation) their functions in full, including in consequence of employment contract termination. It should be related to risk group the risks of new contract non-concluding or termination of existing contract, as well as employees' team collapse;

- probability of employees occupational and general diseases, traumatism level. Obviously, that in some ways said risks depend on age, physical and psychological health of particular employees, as well as on their standing in enterprise;

- probability of unconformity of employees formed competences with enterprise strategy during its realization, as well as situations connected with necessity to change business and functional strategies.

### **10. Investment project efficiency assessment.**

In this section, the capacity of measures for efficiency analysis could be represented by the target rates values of enterprise activity in different investment project stages realization; said values could be represented by means of rates balanced system, proposed by D. Norton and R. Kaplan. During investment project efficiency assessment it is necessary to consider that human capital is a long-terms economic resource, profitability of which increases with the time (by knowledge and experience accumulation). Thus, the effect of realized investment project can be observed only over certain time.

It is supposed that investment project business plan for human potential formation and development will permit, firstly, to ground the reasonability of said invest-

ments for enterprise owners; secondly, to simplify the procedure of cooperation with external investors; thirdly, to give to investment activity for enterprise human potential development the completed, reasonable kind, oriented on enterprise strategic targets achievement.

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