

РОЗДІЛ 6. ДЕМОГРАФІЯ, ЕКОНОМІКА ПРАЦІ, СОЦІАЛЬНА ЕКОНОМІКА І ПОЛІТИКА

BEHAVIOUR MODELLING OF EMPLOYERS ON THE LABOUR MARKET МОДЕЛЮВАННЯ ПОВЕДІНКИ РОБОТОДАВЦІВ НА РИНКУ ПРАЦІ

The research is devoted to the study of the theoretical aspects of the behaviour of employers in the labour market and methodological approaches to modelling this behaviour. The modern scientific postulates describe the behaviour of market participants in conditions of perfect competition as well as imperfect competition, defining the possibilities, roles and functions of each subject of labour relations. Based on standard and behavioural theories, the main problems of the relationship of subjects in the labour market are considered. Modelling as a method that means learning of behaviour has been defined. This research considers the modelling in which identity and background inform decision-making. The experience of business cooperation of labour market participants, multi-sectoral partnerships in industries is expected as the basis for modelling the behaviour of employers. Framework has been defined as a methodological tool that will provide better behavioural models for employers in both the short and long term.

Key words: behaviour of employers, labour market, framework, modelling, behavioural models.

Дослідження присвячено вивченню теоретичних аспектів поведінки роботодавців на ринку праці та методичних підходів до моделювання цієї поведінки. Сучасні наукові постулати описують поведінку учасників ринку в умовах досконалої та недосконалої конкуренції, визначаючи можливості, ролі та функції кожного суб'єкта трудових відносин. Монополізація ринку роботодавцями досить значна, що дозволяє їм суттєво впливати на ринковий механізм і знижувати рівень оплати праці на свою користь. На основі класичних та поведінкової теорії розглянуто основні проблеми взаємовідносин суб'єктів господарювання, працівників та їх об'єднань, органів держави на ринку праці, що обумовлюють актуальність розробки поведінкових моделей з метою адаптації до ринкових трансформацій. Моделювання визначається як метод вивчення поведінки. В дослідженні розглядається моделювання, у якому ідентичність роботодавців та їх походження впливають на прийняття рішень. Значна увага приділена сучасним підходам щодо моделювання поведінки роботодавців на основі поступового узгодження інтересів, уподобань, умінь і потреб між учасниками ринку праці. Моделювання поведінки роботодавців базується на досвіді ділового співробітництва учасників ринку праці, багатогалузевого партнерства в галузях. Зазначено, що відносини між роботодавцями і компетентними державними органами можуть бути активними і пасивними. Наявність нормативно-правових та інституційних обмежень, з одного боку, призводить до ускладнень у відносинах і дисбалансу інтересів, а з іншого – дозволяє знаходити компромісні рішення. Вибір моделі поведінки буде залежати від стратегічних цілей, ступеня охоплення ринку, планування та розміщення виробництва, ключових партнерів та інших факторів. Враховуючи домінування на ринку праці недосконалої конкурентної системи, слід зазначити можливість трансформацію моделі поведінки. Моделювання поведінки роботодавців за допомогою фреймворків інструментів визначено актуальним через демографічні, культурні та освітні ризики. Фреймворк було визначено як методологічний інструмент, який забезпечить вибір оптимальної моделі поведінки для роботодавців як у короткостроковій, так і в довгостроковій перспективі.

Ключові слова: поведінка роботодавця, ринок праці, фреймворк, моделювання, поведінкові моделі.

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Formulation of the problem. Modern conditions of informatization and digitization have expanded the sphere of freedom of labour market subjects, which has led to the restructuring of economic behaviour. New rules of behaviour are formed under the pressure of many negative factors, such as the poverty of the working population, inequality in the income distribution, discrimination in wages, shadow forms of wages and employment, illegal and interregional migration, labour exploitation, shortage and surplus of personnel, which determines the imperfect nature competition in the labour market.

The effectiveness of market transformations depends on the adequate integration and adaptation of the most important components of the behaviour of subjects to new economic formations and institutions.

Technological advantage, scale economies, and multinational corporations seem to be playing growing roles in the development of social and labour relations. All of these gives rise to new types of behaviour in the new system of markets, which significantly affect the economy.

Analysis of recent research and publications. The complexity of social and labour relations arising between labour market participants, their regulation and forecasting is the subject of scientific interest of a number of outstanding researchers. The fundamental theoretical aspects and particularities of the functioning and modelling of the labour market were highlighted in the works of foreign and Ukrainian scientists such as O. Blanchard, D. Boginya, J. Breitung, K. Carstensen, O. Damette, D. Emerson,

V. Fedorenko, C. Fischer, D. Gali, K. Granger, M. Gustavsson, B. Hansen, O. Ilyash, T. Jakobson, A. Kolot, D. Kuaga, E. Libanova, Yu. Marshavin, G. Mazhara, A. Niebuhr, M. Olishevych, I. Petrova, D. Piel, A. Speight, T. Terasvirta, T. Umanets, A. Varne, A. Vredin and others. Although there are the significant results of the study of the labour market, it should be noted that the issues of economic subjects' behaviour are discussed and not sufficiently studied enough.

Statement of work. The aim of the research is to study theoretical approaches and methodological tools for behaviour modelling of employers on the labour market.

Presentation of the main material of the study. The dynamics of the functioning and development of the LABOUR MARKET as a system of relations, taking into account disturbances and shocks, is usually based on theoretical aggregated models. Numerous theoretical concepts and methodological approaches consider macroeconomic models of the labour market (for example, neoclassical and Keynesian theories). They are aimed at the opportunity to understand and improve labour relations between employers, employees, governments and trade unions and their influence on the dynamics wages, consumption, productivity, employment and unemployment and other problems.

It should be noted, that the market of perfect competition considers the wages of workers of a certain qualification as the result of balancing the aggregate demand with the supply of labour. This does not depend on the characteristics of a particular employer in a competitive labour market. The behaviour of the participants cannot significantly affect the size of economic interests relative to the competitive level. Standard economic analysis assumes that the individual behaviour of labour market participants has competitive advantages through the use of selfishness, that is, self-consumption or realization of economic interest, which is included in the utility function.

The standard model of a competitive labour market is based on the assumption of well-defined and complete employment contracts, while real employment relationships are often characterized by incomplete contracts in which many aspects of the employer-employee interaction are not defined. Temporary contracts are systematically used to circumvent labour market rules related to permanent employment. In this case, employers are at a disadvantage due to their dependence on highly skilled labour and on-the-job training. In particular, effort is usually undiminished, which means that building a sufficiently motivated workforce is the key to firm productivity. As a first reaction, one might think that this must mean that pay for performance is widespread. And the effective use

of explicit incentives is limited to a narrow set of professions.

However, the classical model is a normative construct and does not work in modern conditions. In addition, it should be pointed to a deviation in the behaviour of economic agents in the labour market from the classical competitive model. On the one hand, the monopolization of the market by employers is quite significant and this allows employers to intervene in the market mechanism and reduce the level of wages in their favour. This type of labour market has been defined as imperfect competition. In this case it can determine the level of demand for labour less than the inelastic supply of labour.

On the other hand, the presence of state regulation and the need to comply with social responsibility form prerequisites for creating compromise approaches. The evidence indicates that a significant proportion of employers also care about the economic benefits of others and that the existence of heterogeneous social preferences has an important behavioural impact. There are also approaches for negotiation modelling, which have been to study the behaviour of employers, particularly at the local level. According to this model, each side of the negotiation process has a certain freedom and authority to act in the field of social and labour relations with the maximization of its own utility function.

Nowadays, the relevance of behavioural theories and models are increasing. Changing values and the growing ability of consumers to express these values are also transforming business models and employment. Modern forms of workers' organization, such as digital freelancers' unions, and updated labour market regulations are beginning to emerge to complement these new organizational models. Studying the behaviour of employers and the characteristics of their preferences leads to a new understanding of important labour market phenomena. The challenge for employers, individuals and governments alike is going to be to work out ways and means to ensure that the changing nature of work benefits everyone.

Modelling is a method which means learning of behaviour. Modelling as a research method allows displaying the existing organized system with internal and external connections and to develop scenarios of behaviour, predict and evaluate changes in given conditions. When a producers observe the behaviour of customers and then use the relaying behaviour, and also it relate to employers and employees. This method is known as observational studying.

The modern models of the gradual alignment of interests, preferences, skills and needs between labour market subjects are developing. These approaches draw on anthropology, ethnography, and leadership research and use quantitative, qualitative,

and computational models as methods for researching and testing ideas. A lot of employers benefit through diverse tools of solving work related problems which lead to improved employment relations.

Today, studies of organizational behaviour in the labour market have turned into modern approaches to the formation of an effective business structure and decision-making theory. The new frontiers of an employer's behaviour are the cultural components of the organization, such as how race, class, and gender roles influence group formation and performance.

This research considers the modelling in which identity and background inform decision-making. The value of the behavioural modelling approach lies not only in the fact that it can increase the accuracy of forecasts of the development of demand in the labour market, but also in the fact that it can offer new tools that can be used by regulatory subjects and participants in social and labour relations.

The method begins with assumptions about economic behaviour, and maintains them as true for purposes of quantitative analysis. All behavioural models implicitly or explicitly describe subjects' motives, what information they possess, and how they process the information they receive through their influence segment and environment.

Usually, such an analysis is based on the assumption that people or organizations act in their own economic interests and that they have the ability to correctly transform the received information into knowledge. It then uses econometric estimates and industry case studies to measure key behavioural parameters. Since some parameters are subjective or have been estimated dubiously, there are always gaps. These can often be filled by assuming that the behaviour accurately describes a real period, and using this period's data as a benchmark along with measured parameters to infer the values of missing, subjective, or dubious parameters.

The study of behavioural models of employers is a rather debatable issue, because there is considerable inconsistency in the interpretation of both the concept itself and the principles of classification. As noted by N. Yakymova, the model of employer behaviour is a set of organizational actions for the own production, exchange and distribution of material and spiritual goods with the aim of obtaining the best results in the chosen field of activity.

At the same time hiring the most qualified employees is carried out on terms that, first of all, will be beneficial to him, and only then to the employee himself. Also the employer can offer the most favourable conditions employment due to the need to increase income and profitability of the enterprise, the need to quickly close vacancies available at the enterprise or the desire to get a

specific highly qualified specialist. In N. Yakymova's study, a classification of the behavioural models of employers is proposed using with the criteria of the degree of formal registration of labour relations with the employee, such as traditional, freelance, shadow and combination.

However, modelling is interesting and more effective if behaviour is considered the employer as a player or subject of market relations. Thus, within the framework of employment regulation the relationship between the employers and the competent state authorities can be active or passive. It is also possible to observe differences in an employer's behaviour in different sectors and spheres of professional activity. For example, companies often behave passively due to filling vacancies with young people or can be active enough in a highly specialized segment like top management and sport trainers. The active behaviour of the employer is independent training of qualified staff as well as partnership with educational institutions. Training in the office and classrooms, future employees will be involved to immerse in the working atmosphere of the enterprise. It is real chance for them to get to know the management, show themselves and reveal their abilities. Being interested in qualified, experienced and reliable employees, the employer cooperate with universities and/or create own ones. Instead it is critical that businesses take an active role in supporting their current workforces through re-training, that individuals take a proactive approach to their own lifelong learning and that governments create the enabling environment, rapidly and creatively, to assist these efforts. In particular, business collaboration within industries to create larger pools of skilled talent will become indispensable, as will multi-sector skilling partnerships that leverage the very same collaborative models that underpin many of the technology-driven business changes underway today.

Furthermore, the choice of a behaviour model will depend on strategic goals, degree of market coverage, the layout and the location of production, key partners and other factors. Behavioural economic theory suggests that available alternatives matter for decision making.

The assumption that companies do things only out of self-interest is often a correct simplification that is often useful in economics. However, legal and institutional barriers that prevent employers from firing underperforming workers hinder the expansion of potential high-growth companies. When social benefits are closely tied to employment, the opportunity cost of quitting is high. Under these conditions, they choose to act to restore just outcomes, even if that is not their need or value. The opportunity cost of self-employment or starting a new business depends on how labour markets are regulated and how regulation interacts with the social security system.

However, by matching a fair pattern of behaviour, employers will pay a significant price, and employees will pay back with effort. Interestingly, effort varies positively with wages, as if the employer feels an obligation to reciprocate by making the outcome fairer.

One of the specific steps of modelling is the "framework" of the decision-making situation, which presented in different ways. It could be a certain type of information, the clarified labels to explain the choices, the symbols language used to describe the decision situation. However, many studies show that frames matter for behaviour. The framing as a modelling tool can affect choices not by overcoming biases or behavioural tendencies but by working within their limits. It can be used to understand the different goals and priorities of employers, to justify the choice of a certain type of model, and to help adjust activities in conditions of imperfect competition.

Framing has been shown, for example, to influence the reference points people use when evaluating the value of their choices. Models that describe the behavioural processes of adaptation and transformation of employers should include sufficient realism and be of a socially oriented nature. For example, the development of a behavioural model of "employer social responsibility" can greatly benefit from the use of modelling approaches based on frameworks that aim to reveal the causal mechanisms operating in a specific local labour market.

Thus, framing is a very powerful strategic tool, especially given that employers are loss averse. A natural consequence of this combination is the ability to influence people's behaviour by changing whether people perceive a particular outcome of their choice as a win or a loss – through a change in orientation. It is often possible to represent the same frameworks decision situation using different behavioural models. Taking into account the dominance of the labour market of an imperfect competitive system, it should be noted the possible transformation of the model of behaviour. Modelling the behaviour of employers using framework tools remains relevant due to demographic, cultural and educational risks. Demand and competition for skilled workers is expected to only intensify in the coming years due to an aging workforce and an exodus of people from the labour market.

Modern research demonstrates a variety of trends in finding and retaining a workforce for business. The strategic framework for companies is expected to be the formation of an employer brand, the organization of bonus and insurance programs and the search for talents. It's time for a fundamental change in how talent diversity is problematic in overcoming perceived and well-known barriers.

Applying of the strategic frameworks helps in the early stage of modelling by providing priorities and criteria for classifying goals. The use of strategic frameworks in the decision-making phase of a behavioural model help to plan and coordinate actions, analyze current strengths and weaknesses of behaviour as well as carefully the resources that an employer invests in its personnel development.

Conclusions from the study. The forming of optimal models of behaviour in the market for the purpose of integration and adaptation of subjects to new economic formations and institutions is considered as one of the most important components of increasing the efficiency of market transformations. The developed theoretical and practical approaches to modelling the behaviour of employers in conditions of imperfect competition remain debatable.

The presence of regulatory and institutional restrictions leads to complications in relationships and an imbalance of interests on the one hand, but allows developing the compromise solutions on the other. Studying the experience of business cooperation of labour market participants as well as multi-sectoral partnerships in industries to create a larger circle of qualified personnel should be used as the basis of the behavioural models. A significant competitive advantage is the socially responsible behaviour of employers who care about the economic benefits of others. In the modelling process, framing is a very powerful methodological tool that works as a reference point that the subjects of labour market relations use assessing the value of their behavioural choices. The frameworks determined as strategic will be able to provide more optimal models of employer behaviour in both the short and long term.

An analysis of existing behavioural models on the labour market and an assessment of the strategic framework should be considered as perspectives for further research.

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