

CONTROLLING PERSONNEL

Plamen Iliev

New Bulgarian University, Bulgaria, kaviplas@abv.bg, pkiliev@nbu.bg

Abstract: The rapid entry and application in recent years of Industry 4.0, in almost all spheres of business and public life, necessitates the use of digitalization of processes and artificial intelligence in the production of goods and services to increase both productivity and win new markets in the presence of serious competition. This also requires new methods and ways of managing personnel, starting from the selection, training, stimulation and development. In this case, we must also take into account the upcoming next degree or stage of the development of industrialization, Industry 5.0, where the expectations are that there will be serious attention specifically to the personnel, or the human factor, to which a more central place will be dedicated in the production process, somehow until now, only of the machines and technologies.

We should not forget that the Covid epidemic and the war in Ukraine have not yet passed, which put serious pressure on personnel and their management.

Personnel management is carried out and necessarily accompanied by the application of control and audit processes regarding personnel. Personnel control is an internal company system for planning and control over personnel, aimed at supporting the achievement of the company's strategic goals, ensuring personnel security, applying modern rules and methods for this.

The human resources audit, in turn, covers actions to introduce and implement policies and modern practices related to the selection, motivation, training and development of personnel. In this type of internal audit of human resources, we must comply with the requirements of the "COSO" method for internal control and the control environment as its component, in which the policies and practices for the management of human resources and the competence of the staff represent the main content.

In recent years, the Controlling concept has been increasingly used in our country, as a modern management system containing the functions of planning, accountability, control and information provision, which supports management in making decisions.

Controlling cannot fail to include personnel management among its other tasks, creating mechanisms for planning, coordinating and reporting personnel management activities in the modern dynamic and changing environment, aimed primarily at the development of human resources management and to achieve the organization's goals.

Keywords: controlling, personnel, internal control, control environment, audit

1. INTRODUCTION

The personnel in the companies have always been the object of special attention from the management, who realizes that without the necessary personnel and their good management, it is difficult to achieve the set goals. In personnel management, attention should be paid from the very beginning to what kind of personnel is needed, what kind of education they should have, what qualifications and competencies are needed, etc. In recent years, the controlling concept has been increasingly applied in personnel management, as part of the overall management of companies. No less important for personnel management are the control and audit regarding compliance with a number of regulatory requirements in relation to personnel management.

2. NATURE AND NECESSITY OF CONTROLLING

The development of technology, science and management practice in recent years, somewhat influenced by Covid 19, naturally directed attention to the search for new, more effective methods and tools for managing enterprises in the conditions of a dynamic, uncertain and highly competitive external environment. environment, through controlling and digitization recently. Historically speaking, the rates of economic growth in the USA in the late 19th and early 20th centuries. and the increase in the growth of production enterprises, the emergence of trusts and holdings, of monopolies, the complexity of productions have gradually created a need to improve management methods

The global economic crisis that occurred in the 1930s created a need for more detailed accounting of production costs and brought planning to the fore as a leading function of management, oriented towards the future of the enterprise. With this, the idea of controlling in production enterprises appeared.

The formation of the concept of controlling is from the end of the 19th and the beginning of the 20th century in the USA, and in 1880 in the American railway company "Atchison, Topeka and Santa Fe Railroad" and in 1892 in the "General Electric Company" the position was created - controller. Their task is related to the implementation of

financial and economic tasks, management of financial investments and capital. Significant development and use of the concept and controlling units of controllers took place during and after the economic crisis of 1929.

The dynamically developing market environment and the ongoing multilateral process of globalization at the end of the 20th and the beginning of the 21st century, gives rise again to the need to search for more effective methods, tools and management systems. These methods must ensure timely obtaining of the necessary information about the real state of affairs in the enterprise and its environment, which will serve as a basis for increasing the effectiveness of the management decisions taken and the achievement of its operational and strategic goals in the conditions of increasingly stronger competition. (Brankova 2009)

Today, controlling is perceived as an enterprise management system that ensures the achievement of its short-term and long-term goals in the conditions of a rapidly changing external environment and increasing globalization of markets, as a tool for collecting, analyzing and providing relevant information necessary for management to the adoption of management decisions, for each moment of time and for which it comes from the functional areas.

In our country, the concept of controlling theoretically spread from the beginning of the 90s of the last century, as a significant contribution to the theoretical development of controlling was made by Prof. Kamenov, Prof. M. Dinev, Prof. O. Simeonov, Prof. Hr. Draganov, St. Lesidrenska, M. Temelkova and other of their followers. Thus, M. Dinev defines controlling as "a specific management function with a complex nature and a system for targeted adaptive management at the enterprise level, combining the functions of planning, control, analysis and information provision". O. Simeonov gives the shortest and most accurate definition of controlling formulated as a concept of enterprise management. (Iliev, 2015)

One of the authors of the modern concept of controlling D. Khan defines it as a set of goals, tasks, tools, entities and organizational structures. According to him, controlling is information provision oriented to the results of the management of the enterprise, to its survival and further development at the expense of optimization of the financial result within the framework of social goals.

Another researcher - E. Mayer suggests that controlling should be understood as a management concept for effective management of the company and ensuring its long-term existence. He also says that, in a broader sense, controlling is a system for ensuring the survival of enterprises in two aspects: short-term - optimization of profit, and in the long-term - preservation and maintenance of harmonious relations and interrelationships of the given enterprise with its surrounding environments - natural, social and economic. As pointed out by R. Mann and E. Mayer - controlling means profit management, or by managing profit, we must also manage our income and expenses.

Against the background of expected bankruptcies, decline in production, low technology and lack of fresh financial resources, as a result of the Covid crisis and the war in Ukraine, controlling can investigate, analyze, coordinate and navigate the upcoming and/or changes in the activity of the production organization that ensure the achievement of the organization's goals. (Temelkova, 2012)

The lack of solvent market demand, low income of the people, increasing unemployment, combined with heavy and very controversial in terms of effectiveness government anti-crisis measures such as increased or new taxes and insurances, delayed payments by the public sector to corporate organizations and untimely recovery of VAT from the republican budget, put production organizations on the edge of survival or push them on the path of bankruptcy. Macroeconomic instability requires the application of an adequate toolkit in companies aimed at overcoming the negative consequences of the crisis and exiting it with as few losses as possible. This leads to the choice between two alternatives: bankruptcy or the application of innovative tools allowing adaptation to the dynamically changing environment. (Temelkova, 2012)

The lack of macroeconomic stability requires every company to look at its organizational, production, personnel and process structure, to carefully assess its strengths and looming dangers and to form a set of alternatives by which to manage the changes that are occurring or have already occurred in it. All this naturally leads to the confirmation of controlling, as a tool for modeling the system of processes, subject to the provision of effective organizational management and the avoidance of bankruptcy in the conditions of a severe economic crisis. (Temelkova, 2012)

The controlling system, and more precisely the operational controlling, would look like a set of subsystems for controlling the material provision, controlling the placement, controlling the production, controlling the financial result, etc. To them we must add IT controlling, quality controlling, personnel controlling, legal controlling, marketing controlling. (Simeonov, 2004)

Coordinating, integrating and guiding the activities of all management systems to achieve the set goals, controlling is a synthesis of planning, reporting, control, economic analysis, organization of the information flow, or in other words, according to B. Valuev, it performs a specific function - "management of management". T. Yu. Teplyakova presents controlling as a relatively new concept for systemic management of the organization as the main and

aspiration is to ensure the successful functioning of the organizational system /enterprise, commercial firm, bank, etc./ in a long-term perspective.

Many companies have recently introduced the controlling concept into the personnel management system as part of the overall controlling concept, which is also an innovation in management policy. Given this state of affairs, it is necessary to understand in detail what the essence of personnel control is, what are the main goals of this system.

Controlling personnel is primarily aimed at creating an effective strategy for managing human resources in the company, which is the most difficult component in terms of building competent management, because personnel are not easy to manage, because man is not a machine and his management is a whole art and a comprehensive concept of the so-called "human factor" is needed

The objectives of such a system or controlling concept are to plan a personnel strategy and exercise "general" control over its implementation. This can be understood as a system of internal company planning and control in the field of personnel, which helps to turn strategic settings into planned values and specific measures, as well as to form the basic regulations for personnel management.

The scope of personnel controlling includes the development and provision of tools to ensure strategic and operational capacity to maintain the required performance. The objectives of controlling in the enterprise can be divided into general and special. General goals, as a direction of activity, always coincide with the goals of the organization, since they are essentially determined by them. The special objectives of controlling are mainly expressed in quantitative economic terms, for example, in achieving a certain level of profit, profitability or productivity, ensuring a certain liquidity, in minimizing the costs of the enterprise, etc. <https://zapustibiznes.ru/bg>

The purpose of personnel controlling is to create a mechanism for coordinating and optimizing activities within the personnel management system in a changing environment, aimed at developing human resources management to achieve the organization's goals, increasing its economic and social efficiency .

In this aspect, the statement of Werner Niffer (1928-93), a German top manager, according to which the employees, respectively the personnel in an organization, are the most valuable asset of the enterprise and therefore the most important capital for success. These are not computers, robots , the technical facilities that lead to a given goal, and always the people who create and transform the concepts.

As an integrated management process, personnel controlling provides, with the help of appropriate tools, on the basis of a single structured, enterprise-wide database and indicators, regulating economic and personal impulses, the current and future work with personnel, their current use and their forecasted need . Various concepts of personnel controlling are known, such as a passive, past-oriented concept of controlling the success of HRM, an analytical concept of inherent costs, economy and success, an information and indicators-oriented concept, a management service concept, future-oriented and oriented to planning and control actions, etc.

Along with what we know as types of operational and strategic controlling, in relation to personnel, we can talk about quantitative personnel controlling, oriented to the extraction, processing and regulation of quantitative indicators describing the quantity, number or frequency of events in numerical form, numbers, costs.

In addition, there is quality personnel controlling oriented to the extraction, processing and regulation of quality indicators, quantities that describe in numerical form the properties and signs of events, factor-oriented personnel controlling, oriented to observations and analysis of the management of the personnel factor, and process-oriented personnel controlling aimed at the processes and functions of HRM. (<http://ophrd.krib.bg>)

Personnel controlling also refers to the separate functions of HRM, such as specific staffing needs, staffing marketing, staffing, its use, staff management and staff development and training.

In this direction, the German Society for Business Economics Schmallenbach defines human capital as the intangible assets / values of the enterprise in the field of personnel, as well as the inherent knowledge of personnel and management regarding education, competence, and other intangible assets such as a good social-psychological climate, or knowledge database.

In its historical development, personnel is always subject to evaluation, and personnel evaluation research goes through the following stages:

-In the 1960s, through accounting of human assets and capital, the first attempt was made to determine human capital through monetary valuation methods, known as "classical valuation models".

- In the 1980s, indicator models of intellectual capital were applied, which reached their peak in the 1990s and determined the study of human capital to this day.

-In the last 10-15 years, personnel is no longer seen as a resource that incurs costs when used, but rather as a capital that, with appropriate stimulation or support, increases its value.

In connection with the third stage, we must also pay attention to the evolution from Industry 4.0 to Industry 5.0, according to which and according to the European Commission and its report Industry 5.0 Towards a sustainable, humancentric and resilient European industry from the beginning of 2021, Industry 5.0 is not coming , to replace,

nor is it an alternative to Industry 4.0, but a logical continuation of it. While Industry 4.0 is still focused on the digitization of processes and the use of artificial intelligence to increase productivity, Industry 5.0 is assumed or expected to concentrate on the human factor and the human being at the center of the production process. ()

According to this new paradigm, technology should be for the benefit of man and he should actively cooperate with machines, or if Industry 4.0 is the basis of the relationship between machines and IT systems, then Industry 5.0 should unite the strengths of man and machines .

3. CONTROL

Generally, the goals are common to most organizations such as: sustainable growth and stable successes, providing reliable reports to stakeholders, hiring and retaining motivated and competent employees, achieving and maintaining a positive reputation in business environments and among user communities, complying with laws and regulations.

A means of supporting the organization's efforts to achieve its goals is internal control with its five components / elements / - control environment, - risk assessment, - control activities,- information and communication and monitoring activities.

These components of internal control are relevant to the overall organization and to individual levels and divisions, or individual operating units, functions or other structural elements thereof. ("COSO -2013-www.minfin.bg.)

Based on the COSO model, the control environment, as its initial element, sets some fundamental values, thereby ensuring discipline and structure of internal control in the organization.

The personnel control environment includes the personal integrity and professional ethics of the organization's manager and employees, management style and working method, personnel competency requirements, and various personnel management policies and practices.

In general, the applied and used human resources policies and practices cover selection, appointment, training, certification, promotion and compensation.

This implies ensuring transparency in the selection and appointment of employees, clear requirements for qualification and professional experience in the selection, an established system for training, qualification and evaluation of employees, rules for incentives and for sanctioning violations of the established rules.

On the other hand, the competence of the staff is understood as a set of knowledge, skills and abilities to fulfill the duties arising from the objectives of the organization and the specific position held. All this is the responsibility of the head of the organization, who must ensure the relevant policies and practices related to selection, training, certifications, etc. (Iliev Pl. -2019)

4. AUDIT

The audit in the field of human resources covers the analysis of the existing policies, procedures, processes, documentation and systems, and it is necessary to identify the strengths and weaknesses, through an independent and objective assessment of the activities and the benefits achieved or the weaknesses admitted, proposing measures to improve presentation. The audit is a process, part of the internal control in the organization and risk management, of the overall strategic management of the company to achieve its business goals.(Panova.-2013)

Internal auditors collect and analyze information for an independent assessment of the state of the human resource management activity. This type of audit is a non-financial audit, as the main indicators in the human resources audit must cover turnover, investments in training, temporary employees, the amount of the salary compared to the amount of the salary for the branch, etc.(Peycheva 2014)

Knowledge of the essence of the Human Resources Audit is applied to permanent monitoring and detection of deviations and inconsistencies, with a view to their timely elimination.

It can be conducted on the structure of the staff, the qualification and competences of the staff and the motivation of the staff to increase their knowledge and qualifications.

In the audit of the personnel structure, compliance is sought between management policies for personnel restructuring with changes in market needs, between the number of personnel and the volume of work to be performed, etc. The audit in personnel management is specific, continuous and with multiple audit actions, consistent with the management and production process, and the requirements, objectives and principles of the audit. It can be said that personnel audit involves identifying weaknesses and finding solutions before they become problems, therefore through it some of the policies and actions in the organization can be changed for the better, and how to be more effective or how making them cost less money to implement.

5. CONCLUSION

In today's conditions, a change in personnel management can always be sought, even imperative, as management must change according to the irreversible consequences of the demands of technology and the demand for capable

and capable personnel. Management practices in selection, training, compensation, communications and teamwork need to be implemented.

More and more importance is given to the intellectual level, talent, opportunities, as well as to the investments set aside for training and retraining.

In any case, changes in human resources management in companies will be imperative in the era of digitalization. It is possible that some staff, rather than being 'personnel' or 'cadres', act for example as facilitators who will manage change processes for teams and whole organisations. These are new roles that will be required for HR professionals to forget the past and focus on the future.

We must accept personnel controlling, not as a utopia, although it is probably not a panacea, because there is no ready-made recipe to deal with the new crisis, but its implementation and use in any case will help micro-level enterprises to cope faster and seamlessly with the still developing crisis.

Managers and leaders with bold new plans and vision who give the necessary attention to human resource management will build self-confidence, not cynicism and mistrust caused mostly by unacceptable or improper appointments and toleration of "our people", "like-minded party members" and others. at the expense of capable, knowledgeable personnel, but inconvenient to someone for one thing or another.

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