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### MÜƏSSİSƏLƏRDƏ İNSAN KAPITALININ İNKIŞAFININ EFFEKTIV MEXANIZMI

#### Xülasə

Müəssisələrdə insan kapitalı onların rəqabət üstünlüklərinin ən mühüm mənbəyi və ali təhsilin innovativ inkişafı amilidir. İnsan kapitalına qoyulan investisiyaların idarə olunmasına sistemli yanaşma ali təhsil müəssisəsinin insan aktivlərinin formalaşmasına və inkişafına investisiyaların strateji istiqamətini və səmərəliliyini təmin etmək üçün onun resurslarından səmərəli istifadə etməyə imkan verir. Bu problem yalnız insan kapitalının innovativ inkişafının səmərəli mexanizminin formalaşdırılması və həyata keçirilməsi nəticəsində həll edilə bilər. Tədqiqat işinin məqsədi insan kapitalının innovativ inkişaf mexanizmini açan konseptual fikirləri öyrənmək, cəmiyyət şəraitində bu mexanizmin müasir mahiyyətini və strukturunu aydınlaşdırmaqdır. Tədqiqatın metodoloji əsasını sistemli təhlil metodu təşkil edir: elmi anlayışların fərqləndirilməsinə, müxtəlif elmi yanaşmaların məntiqi əlaqələrinin ümumiliyinin müəyyənləşdirilməsinə yönəlmiş ardıcıl bir-birindən asılı və qarşılıqlı əlaqəli tədbirlər həyata keçirilmişdir. insan kapitalının innovativ inkişafı mexanizminin əsas struktur komponentlərinin aydınlaşdırılmasıdır.

Açar sözlər: müəssisə, insan kapitalı, idarəetmə, strategiya, səmərəlilik

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#### Introduction

Human potential in modern conditions is a wide range of characteristics and abilities of the able-bodied population. These are health and physical potential abilities, conscious general knowledge, professional skills, labor needs and abilities, active motivation of individuals.

It is conditionally possible to give an extended description of human capital: social capital (total labor abilities of the disabled population); labor potential capital (total abilities of the able-bodied population); direct human capital (the labor force of an employee, a set of professional abilities of actors used for economically significant purposes and providing benefits, income, development potential to its carrier).

#### **Human capital formation**

Each person, as well as a set of people, has a quantitative, qualitative and cost characteristic of human capital. The latter as a whole is a factor in achieving innovative socio-economic goals in the areas of production, exchange, distribution, and consumption. The potential abilities of an ablebodied person are transformed into human capital through social relations of active and labor use in order to achieve socio-economic innovations, while solving economic problems of creating economic, social, cultural benefits or benefits by society, organization or individual.

In fact, a person as a carrier of human capital is not only a carrier of abilities for any labor activity, including innovation, but also a participant in socio-economic processes, associated with the formation of human abilities, his creative needs and opportunities, the implementation of innovative practices of economic use, obtaining social and economic benefits, including in the form of income, career growth, and satisfaction of creative needs (Robinson, J.A. (2019: p.876).



The process of human capital formation

Table 1

#### Transformation of Human Beings into Human Capital graduatesEffort of Effort of family and Internship training INGOs/NGOs individuals On the job training Government Training Tuition fees Capital expenditure Opportunities for Opportunities for Material and for education exposure exposure equipment Recurrent Other Other Transaction cost expenditure Experience Opportunities for exposure Other

Current stock of human capital of an individual in the form of qualifications and skills

Source: Sverdlova, Y. 2021: p.13

### Normalization of human capital depends on the efficiency of the mechanism that determines its development

At the interdisciplinary level, a "mechanism" is usually considered as a system, a device that determines the procedure for the implementation of a process or action. "A mechanism is a special kind of complex socio-economic system that provides regulation of a particular development process". The composition of any mechanism in a broad sense includes specific socio-economic entities that implement a certain type of activity (in this case, innovative), certain social and economic institutions that form specific socio-economic conditions for this activity, its results, as well as social need, the satisfaction of which the work of the mechanism is directed. The mechanisms of innovation processes in different countries differ significantly. At the same time, there are significant common features and characteristics (Acemoglu D.A, 2011).

In market conditions, the innovation mechanism must be considered as a constantly updated algorithm of certain, strictly verified and justified actions that provide the most effective solution to the tactical and strategic goals of the development of an object in full and just in time. It is necessary to take into account the specifics of the goals, objectives, objects and interests of all participants in the functioning of the mechanism.

In relation to human capital, the mechanism of innovative development is a set of system elements of managerial influence, with the help of which innovative development and the accumulation of its various forms can be or are carried out. Based on this approach, the activity of the mechanism of innovative development of human capital is aimed at such development of human capital, which determines economic accumulation through innovation. Therefore, innovation is a key component of the activity of this mechanism. In this context, innovation should be considered as a process of formation and transformation of new knowledge, ideas and inventions into socially significant products with fundamentally new technical and economic indicators. Essentially, innovation is a social, technical and at the same time economic process, as a result of which new knowledge, ideas, information flows, inventions are created or practically used. The latter should lead to the creation of "products and technologies with the best properties, and if the innovation is focused on economic benefits, profit, its appearance on the market can bring additional income".

The approach to understanding the essence of innovation as a change in the system of human capital is quite reasonable, since any innovation involves corresponding changes in the system where it is implemented. Therefore, innovations that determine the development of human capital



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can be identified with the results of the intellectual and educational professional use of the human potential of workers, accumulation in the process of expanded reproduction of human capital. Innovation that develops human capital is an innovation that determines the direction of ongoing changes in various forms of human capital. At the same time, it should be noted that all projects aimed at progressive changes in various forms of human capital represent innovative development (Becker SO, Woessmann L. 2019: p.235 ).

In a broad sense, the mechanism of innovative development of human capital is aimed at implementing progressive changes in the physiological and intellectual-educational forms of human potential, at economic renewal and accumulation of human capital in social reproduction systems. The mechanism of innovative development of human capital can be conditionally represented as the methods, methods and measures taken to ensure timely and economically necessary expanded reproduction of human capital in potential and actually used forms.

At the same time, it should be noted that the innovative development of human capital can also be considered in a narrow sense as the result of innovative activity within the framework of scientific, educational and labor systems. In a narrow sense, the mechanism of innovative development of human capital is aimed at implementing progressive changes in the system of the intellectual and educational potential of a working person, professional and educational accumulation of human capital.

# **İnnovative development of human capital certain performance characteristics**

Firstly, when developing various types of innovative product, the intellect itself performs the function of "non-material" means of mental labor. At the same time, the formation of new knowledge actually creates the components of the intellect itself. The subject of labor here can only be information that is included in the process under study and carries new information. Depending on the tasks set, information can enter one or another level of the human mind and be included in intellectual productive activity. All subsequent results depend on the level of accumulated.

İndividual intellect and its readiness for scientific and practical activities.

Secondly, the most important factor in the creation of an innovative product is the "immaterial" conditions of mental labor. They are provided by the general conditions of life of the employee, the atmosphere at the workplace, enterprise or institution, in society as a whole. It is necessary to highlight the specificity of the moral and psychological environment of innovative work, justify the importance of public awareness and approval of the goals of this work, goodwill, mutual respect, creative mood of colleagues, lack of diktat, disharmony.

Thirdly, the creation of an innovative product has as its primary result new knowledge and information. The secondary result in this case is the development of the intellect of any worker, which is directly related to the development of new knowledge, its generalization and systematization, refinement, implementation and improvement of the technologies used.

Thus, activities aimed at obtaining various innovations and their subsequent implementation in the system of production, distribution, exchange, consumption, as well as social and labor accumulation, must be defined as a process of innovative development of human capital. Innovative human activity brings a number of micro- and macroeconomic results:

- 1) increasing the efficiency of the processes of meeting the needs of the population as a result of the constant renewal of the commodity mass created in society;
- 2) increasing the dynamics of economic growth in society, region and individual organization;
- 3) redistribution of resources in favor of the most efficient organizations;
- 4) increasing competition both in individual industries and in society as a whole.

Thus, a characteristic feature of innovative activity is that its final product is not just new knowledge and nothing more, but knowledge that can be capitalized in its social distribution. The knowledge embodied in the machines increases their efficiency and value, and the return on investment in them comes either in the form of higher sales prices and rental payments, or in the form of increased profits from increased productivity. The knowledge embodied in people raises their productivity, and the returns on investment



in them come to the surface in the form of wage differentials. Unembodied knowledge increases productivity, and hence income in the long run. Any innovation process leads to a number of economic and socio-economic results (Demidova N.Y., 2018).

Systematic improvement of the educational and humanitarian spheres of society and individual economic organizations. The use of innovations of this kind leads to the accumulation of human capital, expands opportunities in the labor market, and mobilizes able-bodied actors to improve the efficiency of labor activity.

Based on the foregoing, it is possible to present the components of the mechanism of innovative development of human capital.

The first component is basic fundamental scientific research, which predetermines the emergence of innovative human development. At the first stage of innovative development, new knowledge is developed and systematized, then this knowledge turns into an information product, which, subject to economic significance, can be used in the production of goods, innovative renewal of the provision of services, as well as in the educational production of human capital.

The second component is determined by the implementation of applied scientific research for the formation of innovations through the achievement of the goal of a very specific use of fundamental and derivative knowledge obtained both in cognitive and applied research areas. At this stage of research, innovations are created that ensure the improvement of existing technical means, the educational system, human potential, technologies of material and spiritual production, raw materials, materials and semi-finished products.

The third component of the innovation process is carried out mainly through design development (rigidly aimed at a specific goal of scientific research, design, construction, creation of prototypes, testing and correction of a previously presented development), as well as production research. Research practices in modern conditions have a dual manifestation. The first is production and practical research carried out at the stage of development of production and in the process of serial production of products. The second is practical research carried out by the departments of

the educational system at the stage of educational implementation of innovations for the professional training of specialists, the innovative development of their human capital.

The fourth component of the innovative process of human capital development determines the use of new knowledge in the field of consumption.

Conventionally, two directions for the implementation of this stage can be distinguished:

- 1) the movement of material or spiritual products from the producer to the direct consumer and the operation of new products by the consumer;
- 2) the movement of a graduate of an educational institution to the employer and the accumulation of the ability to work in the form of human capital (Soto M. 2018).

Having considered the components of the mechanism of innovative development, it can be noted that the stages of the innovative development of human capital are interdependent and interdependent with the activities of the components of this mechanism. Each stage of the intellectual-educational (innovative) renewal of human capital is a reflection of the activity of the components of the innovation mechanism. It is the scientific structures that determine the formation of design developments, the strategy of production refinement and the educational use of new knowledge in order to ensure the improvement of the intellectual and educational and qualification abilities of workers for work.

The system of material production ensures the introduction of a scientific information product into new technologies and consumer goods. Here, the development of new technologies and the direct production of products are carried out. The system of educational production ensures the innovative development of educational technologies and the intellectual and educational development of human capital (Woodberry R.D. 2019: p.112).

The final stage of innovative implementation determines the use of new products in the sphere of consumption. Another direction of development determines the growth of the economic effect from the used human capital of the total worker in the form of income of the state, organ-



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izations, a particular individual, as well as improving the structure of employment of the population, reducing unemployment in society.

Thus, having considered the components of the mechanism of innovative development, it is easy to see that each stage of the intellectual and educational renewal of human capital is a reflection of the process of origin, formation, design development, production refinement and educational use in order to ensure the improvement of intellectual and educational qualifications. Let us single out the most important distinguishing features of the management of innovative human development:

- 1) the development of innovations as a means of achieving goals;
- 2) the human development management system includes an innovative mechanism for the development of human capital;
- 3) the specifics of innovative goals and objectives;
  - 4) a systematic approach to innovation production;
- 5) availability of specific management technologies (Sverdlova, Y. 2021)

The mechanism that determines the creation of conditions, prerequisites and implementation of activities aimed at obtaining innovations and their subsequent introduction into the systems of production and economic accumulation of human capital should be called the mechanism of innovative development of human capital (Perna, L.W., 2016).

The mechanism of innovative development of human capital is an organizational and economic form of implementation of innovative activities aimed at the development or self-development of human capital. This mechanism should form innovative and functional support for effective compensation for the obsolescence of accumulated human capital, ensure that the development of human capital is linked to the stages of its life cycle. Functional support for the renewal of human capital is a cost, investment and financial support for the process of developing the ability to work. Innovative support should determine not only the production of new knowledge, but also their effective systematization, processing, refinement to innovations that meet the needs of the

economic systems of society.( Gennaioli N, Shleifer A. 2020: p.102)

Innovative development of human capital determines the need for permission tasks to achieve effective depreciation of obsolescence of human capital. The latter not only determines the decrease in the economic importance of the employee's professional knowledge, but also contributes to a decrease in the cost of human capital due to technological progress and the emergence of new knowledge, information flows involved in the system of social reproduction, as well as due to the growth of labor productivity in scientific and educational industries that form human capital.

#### **Conclusions and Recommendations**

As the role of man in the development of the economy is more correctly understood, his study the need to study has become more and more significant, as well as conducted in this field the scope and intensity of research has increased. From this point of view, conducting research on human development in recent years is even more important expanded. So, in the conditions of radical economic and political changes, people development of capital and effective use of this capital is of great importance. Because the purpose here is the factors affecting the development of social processes state of all possible and emergent social consequences active in the development trends of the process that evaluates the situation of solving at the level is to influence. In other words, the development of human capital and from it effective use is one of the important directions of the state's active policy does.

The formation and development of human capital is a complex and multifaceted process and the individual's specific qualities, knowledge and skills, abilities development, with the cumulative transformation of these qualities into capital is connected. The development of human capital in various forms forms this capital from the targeted allocation of financial resources for components depends significantly. Investing in human capital is the qualification of the employee and aimed at increasing the ability, as well as labor productivity any activity. The funds directed within the framework of this activity are the individual's knowledge and improving skills, education level, health protection, service to raising the standard of living, improving the quality of life should do.



In this case, the capital formed is socio-economic of its owner to the increase of the security level, to the strengthening of the society as a whole gives impetus.

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# EFFECTIVE MECHANISM OF HUMAN CAPITAL DEVELOPMENT IN INSTITUTIONS

#### **Abstract**

In institutions, human capital is the most important source of their competitive advantages and the factor of innovative development of higher education. A systematic approach to the management of investments in human capital allows the efficient use of its resources to ensure the strategic direction and efficiency of investments in the formation and development of human assets of a higher education



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institution. This problem can be solved only as a result of the formation and implementation of an effective mechanism for the innovative development of human capital. The study of the latter is an actual scientific problem. The purpose of this work is to study the conceptual ideas that reveal the mechanism of innovative development of human capital, to clarify the modern essence and structure of this mechanism in the conditions of society. The methodological basis of the research is the method of system analysis: successive interdependent and interrelated measures aimed at distinguishing scientific concepts, determining the generality of logical connections of different scientific approaches were carried out. clarification of the main structural components of the mechanism of innovative development of human capital.

Keywords: enterprise, human capital, management, strategy, efficiency

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#### Эффективный механизм развития человеческого капитала в институтах

В вузах человеческий капитал является важнейшим источником их конкурентных преимуществ и фактором инновационного развития высшего образования. Системный подход к управлению инвестициями в человеческий капитал позволяет эффективно использовать его ресурсы для обеспечения стратегической направленности и эффективности инвестиций в формирование и развитие человеческого капитала высшего учебного заведения. Эту проблему можно решить только в результате формирования и реализации эффективного механизма инновационного развития человеческого капитала. Исследование последних представляет собой актуальную научную проблему. Целью данной работы является исследование концептуальных идей, раскрывающих механизм инновационного развития человеческого капитала, выяснение современной сущности и структуры этого механизма в условиях общества. Методологической основой исследования является метод системного анализа: проводились последовательные взаимозависимые и взаимосвязанные мероприятия, направленные на разграничение научных понятий, определение общности логических связей разных научных подходов. уточнение основных структурных составляющих механизма инновационного развития человеческого капитала.

**Ключевые слова:** предприятие, человеческий капитал, менеджмент, стратегия, эффективность.

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