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Economic Laboratory Transition
Research Podgorica

Montenegrin Journal of Economics

Portna, O.V., Iershova, N.Y., Grytsenko, A.A., Tereshchenko, D.A., Chaika, T.Y., Delibasic, M.V. (2021), "New Configurations of Social and Labour Relations in a Crisis Economy", *Montenegrin Journal of Economics*, Vol. 17, No. 2, pp. 157-172.

New Configurations of Social and Labour Relations in a Crisis Economy

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ARTICLE INFO

Received July 17, 2020

Revised from August 25, 2020

Accepted September 22, 2020

Available online March 15, 2021

JEL classification: C 81, J 50, M 54

DOI: 10.14254/1800-5845/2021.17-2.13

Keywords:

Social and labour relations,
social-psychological climate,
economic crisis,
conflict behaviour,
individual response style,
employees

ABSTRACT

The article covers the issue of configuring social and labour relations in a crisis economy. The main purpose of the research is to theoretically and practically substantiate the configuration of social and labour relations in a crisis economy. The study was conducted in the following areas: 1) an analysis of the preconditions for transforming the system of social and labour relations in companies associated with crisis phenomena in their economy, 2) assessment of the factors that shape social and labour relations in companies with crisis economies, 3) a study of employee response to crisis situations based on the selected parameters, 4) implementation of a strategy for managing employee behaviour in a crisis economy. The mechanism of management of social and labour relations in the company, which is universal from the point of view of the basic problems and various functional characteristics, has been developed. The mechanism allows to identify crisis processes for regulating social and labour relations based on a system of interrelated indicators and to assess the existing disparities in social and labour relations. It is substantiated that the relations in the corporate whole together with other factors form the social-psychological climate of the working environment, the state of which largely determines the effectiveness of the enterprise. Practical recommendations have been given as for propensity of employees to conflict behaviour, social-psychological climate and emotional pressure on employees in team within the company.

INTRODUCTION

The second half of the twentieth century is marked with active changes in the configuration of social and labour relations in many countries around the world. The European social model implemented in the EU member states has given impetus towards forming and developing the concept of social economy and social entrepreneurship which is playing an increasingly important role and strengthening its position. There is a growing number of researchers who display their interest for social economy and entrepreneurship as an instrument of active policy in social and labour relations (Libanova, 2008; Yulianti and Prameswari, 2020). Analytical data and statistical observations demonstrate that social and labour relations are the most important basic element of the production relations of society (Atamas et al., 2020). Thus, when studying the role of the human factor in the development of Eastern and Central Europe, A. Tóth et al. (2020) emphasize a close connection between the management of social and labour relations and economic growth, information technology development, higher education, productivity and innovation introduced in companies. Employment and unemployment reflect the key characteristics of the labour market and affect the configuration of social and labour relations in companies in a crisis economy. To confirm the relevance and importance of social and labour relations in a crisis economy, statistics on employment levels in EU member states are presented (Figure 1).

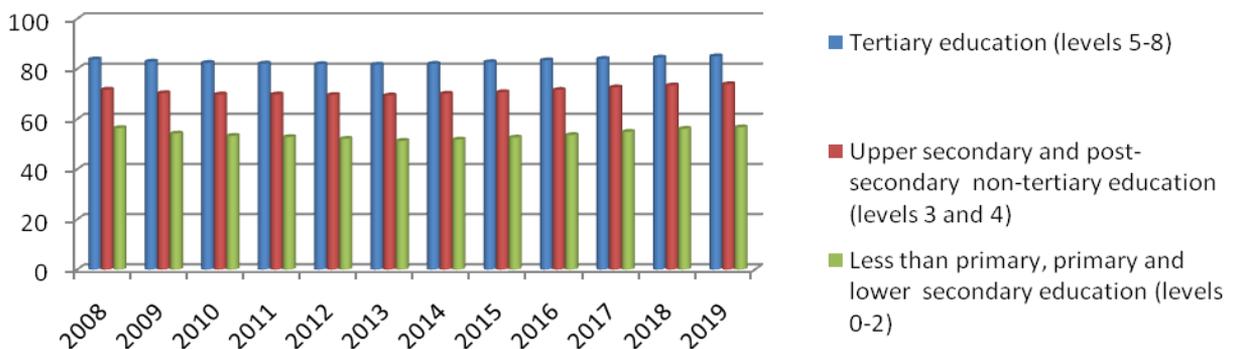


Figure 1. Dynamics of employment level in EU member states (28 countries) by level of education, %

Source: Eurostat, <https://ec.europa.eu/eurostat/documents/2995521/9786896/2-15052019-AP-EN.pdf/6870b615-af4a-43e3-b1f4-cde883544d13>

Employment statistics in the EU member states (28 countries) for the first quarter of 2019 show that the number of employees increased by 0.3% in both Eurozone and the EU-28 compared to the previous quarter. On an annualized basis, employment increased by 1.3% in Eurozone and by 1.1% in the EU-28. Regarding the dynamics of the employment rate in the EU member states (28 countries) by level of education, there has been a slight increase in the number of employees with higher education since 2015; however, the average employment rate of such employees is 82% since 2008. The average employment rate of employees with primary education is 56% for the period of 2008 to 2019. Employees with higher secondary education are employed at the level of 72%. It should be noted that labour market regulation is an important task facing the European Commission, the European Parliament and the Council. During 2014-2020, the European Union allocated €352 billion for measures to invest in education, professional training, promoting social integration and sustainable and quality employment, and supporting labour mobility. The dynamics of unemployment level in EU member states (28 countries) is illustrated in Figure 2.

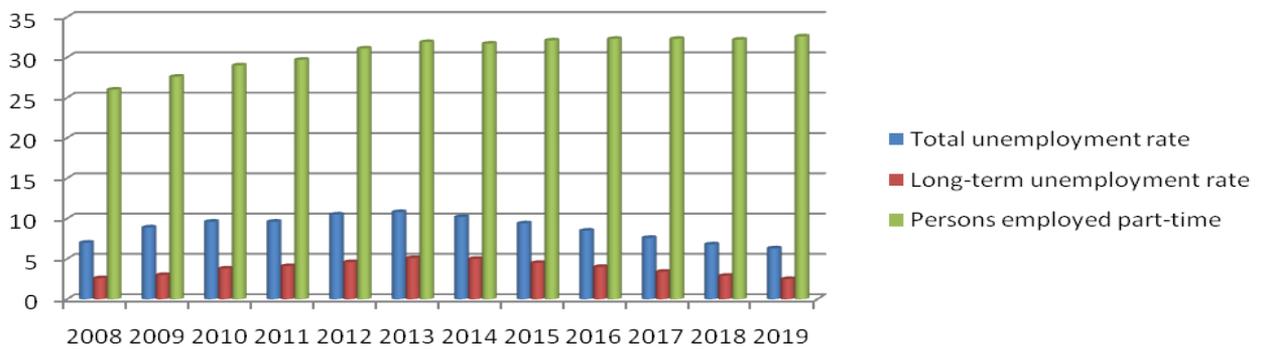


Figure 2. Dynamics of unemployment level in EU member states (28 countries), %

Source: Eurostat, <https://ec.europa.eu/eurostat/documents/2995521/9935256/3-01072019-AP-EN.pdf/fdd80b34-6c9d-43a2-b2c0-2ce9d4dc3c9c>

According to (Eurostat), the unemployment rate in the EU-28 decreased by 0.1% in May 2019 compared to the previous month and by 0.6% year on year, amounting to 6.3% (15.7 million people). During 2019, the unemployment rate reduced in 23 countries of the European Union (mostly in Spain, Cyprus, and Greece). The lowest unemployment rate is observed in the Netherlands (3.3%), Germany (3.1%), and the Czech Republic (2.2%). However, it is high in Spain (13.6%) and Italy (9.9%). In 2019, there were 3.2 million unemployed under the age of 25 (14.3%) in the EU member states (28 countries). The situation on EU regional labour markets is largely determined by the effects caused as a result of the global financial and economic crises, migration processes, digital transformation of the economy, and quarantine measures introduced as a result of COVID 19. The European Commission, the European Parliament and the Council have set up the European Labour Authority (ELA) to build confidence in labour mobility, optimize infrastructure for more effective joint actions, violate labour and social legislation and regulate social and labour relations (European Commission – Statement).

1. LITERATURE REVIEW

As an object of management social and labour relations are becoming increasingly important in modern companies since entrepreneurs and managers face the problem of numerous processes occurring in the socio-economic environment. Skibiński (2019) suggests considering demographic aspects in strategic human resource management and pays special attention to actions aimed at mitigating the effects of labour shortages in different age groups through the analysis of the employees age structure or managing working groups from several generations.

The impact of globalization and the technological revolution produced on labour relations is coupled with a certain positive aspect, which is to expand the scope and content of labour democracy in the new way that is being formed. Gelashvili et al. (2020) believe that social and labour relations characterize the economic, psychological and legal aspects of the interaction between individuals and social groups and increase the social value of the employee.

Glonti et al. (2020) consider social and labour relations in the concept of socialization of sustainable company development based on the principles of corporate social responsibility. Social and labour relations are studied from the standpoint of social life in the team (a person's place in the work environment, his/her attitude to work, motives and job satisfaction, occupational prestige, the dynamics of relations between employees and their groups on ownership of working conditions and means, dynamics labour behaviour, etc.). In addition, scientists emphasize that the socialization of the economy is largely determined the needs of employees met and social problems solved (Ibid.).

Researchers on the issues of generational management and approaches to the quality of working life note that the concept of social and labour relations is used to describe aspects directly or indirectly related to the constant interaction between employees, employers and government (state) in a modern

society. The scientific results obtained by Martínez-Buelvas and Jaramillo-Naranjo (2019) confirm that employees of older generation are more dedicated and absorbed with their work — they are enthusiastic, loyal to their employers and law-abiding.

A group of scientists, who study the issues of personnel development as a condition for sustainable development of entrepreneurship, conclude that it is necessary to consider the adaptation of employees as a major development factor in a crisis. Sabat et al. (2019) identified following employee strategy situations: a choice of standard alternatives, a problem situation, and a crisis situation. The researchers also note that the intellectual development of employees can successfully solve problems associated with the emergence of new areas of educational activities and to ensure their competitiveness in the market (Ibid.). Mustika et al. (2020) assessed the problems of behaviour and knowledge exchange in companies and identified following provisions on the quality of working life: ensuring employee satisfaction with the help of achievements at work; complying with the requirements of labour democracy; availability of opportunities for continuous professional growth. The authors (Khakimov et al., 2019) note the importance of autonomy of the employee's personality and the possibility of developing their various abilities, i.e. an individual approach to a person in the workplace. At the same time, Khakimov et al., (2019) prove the importance of intellectual capital in the formation of a favourable social-psychological climate. Thus, the presence of talented employees and their abilities provide the company with competitive advantages, and the correct measurement and management of this capital allows formulating an innovative development strategy and unleashing its potential.

In recent years foreign authors have been also paying attention to the relationship of conflicts in the workforce, the social-psychological climate of the production environment and emotional pressure on employees in this environment (Einarsen, 2000). Hoel et al. (2001) note that conflicts in the workforce create an unfavourable social and psychological climate. And the associated emotional pressure on employees can lead to a number of negative consequences for team members that manifest in chronic stress, deteriorated mental health and various psychosomatic symptoms. For the company, the negative consequences are expressed in an increasing number of sick leaves and a decrease in efficiency and productivity (Mikkelsen et al., 2001).

Social and labour relations largely depend on safe working conditions. According to Directive 89/391/EEC, companies in EU member states are required to implement standards on safety and labour protection (Council of Europe Directive). Stoyanova (2019) notes that social and labour relations depend on the social-psychological climate which is also formed under the influence of leadership styles and methods. Therefore, having the basics of social-psychological knowledge the leader must effectively influence the social-psychological environment, and through them the organizational and economic processes which take place in the team (Ibid.). When studying the problems of the impact the organizational culture has on social and labour relations in crisis management, experts analyse organizational cultural barriers. This emphasizes the importance of communication for rapid decision-making. Employee involvement in crisis management practices is based on the length of their service, their level of education and culture. If employees believe that their tenure is temporary, it may affect their day-to-day operations, including crisis management (Abo-Murad et al., 2019). At the same time, social and labour relations are an element of financial and economic security of the enterprise. Thus, the scientists (Iershova et al., 2019) substantiate the importance of personnel security as an element of the economic security system, characterize personnel risks, and provide recommendations and suggestions for optimizing personnel security in the economic security system.

The researchers Midiantari and Agustia (2020) study the impact of social and labour relations on the value of a company through corporate reputation as an intermediary variable. Using the resource-based theory and signal theory, the authors analyse the impact of corporate reputation on social and labour relations for the business value. This study is important for assessing the contribution of intellectual capital, which is formed under the influence of social and labour relations for corporate reputation (Midiantari et al., 2020). The authors (Portna et al., 2020) also explore the important role of social and labor relations in the management of the company, taking into account the interests of stakeholders.

The study of personnel management practices and factors discusses the effectiveness of social and labour relations management methods in order to motivate employees and ensure their productivity and

job satisfaction – this will help companies increase business efficiency and profitability (Solanki 2020). The HRM department plays an important role in the management of social and labour relations to ensure a favourable social-psychological climate. Solanki K. determines following motivation factors: training and development programs, praise or recognition of employees, wages, safe and healthy working conditions, incentives, promotions and other perks. Personnel management uses a system of service certification, which promotes the development of personnel, performance management and career support (Solanki 2020). The study of efficiency, creativity and innovation based on staff competence in the era of IR 4.0 notes that human resources play an important role in the fulfilment of creative and innovative enterprises using internal and external opportunities. Staff competencies affect the configuration of social and labour relations in the era of IR 4.0 (Harini et al., 2020).

2. DATA AND METHODOLOGY

Our empirical goal is the companies of Ukraine and Montenegro. These are mainly enterprises working in the field of mechanical engineering and metalworking, woodworking, and production of building materials. An empirical study of preconditions for transforming the system of social and labour relations in companies related to the crisis in the economy is based on a set of data on companies for the period of December 2019 to May 2020. The authors also collected detailed information on personnel management techniques from 54 companies; they are presented in Table I. The research period is January to May 2020. The data collection strategy included opinion polls of employees, formalized interviews with managers as well as the collection of archival data to solve the problem of common methods applied to personnel management. The survey was conducted among executives, managers and employees (specialists and workers) to develop authorial measurements of the configuration of social and labour relations.

When detecting a tension in social and labour relations, longitudinal supervision was used. To determine the propensity of the individual to conflict behaviour, the Thomas method was used. In order to assess the perception of employees of the social and psychological climate, the Psychosocial Work Environment and Stress Questionnaire (PWSQ) was used. Statistical processing of the obtained data was performed using Spearman's rank correlation coefficient and Student's t-test. The analytical strategy included an assessment of the causal relationship between the behaviour of the company's staff (individual style) and crisis phenomena. For this purpose, the parameters for the sample of respondents are established (Table 2). The Crosstabs procedure in the SPSS Base program is used with the criteria set by researchers (Table 7). To measure the strength of the connection when analysing the conjugation tables the following coefficients are used: coupling coefficients based on χ^2 ; ranks; coefficients that measure the information relationship between factors. Next, χ^2 is calculated for the combination table with the degree of freedom that equals to 20 (Table 8).

3. RESULTS AND DISCUSSION

3.1 Factors of transformation of the system of social and labour relations in companies

To establish the preconditions for transforming the system of social and labour relations in companies related to economy crises, the researchers interviewed 230 respondents (executives, managers and employees of enterprises in Ukraine and Montenegro). The sample comprises 54 companies (Figure 3).

Ukraine and Montenegro turned out to have a priority factors that affect the social and labour relations in a crisis. For Ukrainian enterprises, this is the growth of part-time employment and attenuation or loss of the trade unions' role. For Montenegrin companies, this is the growth of overall unemployment rate and the migration of human capital.

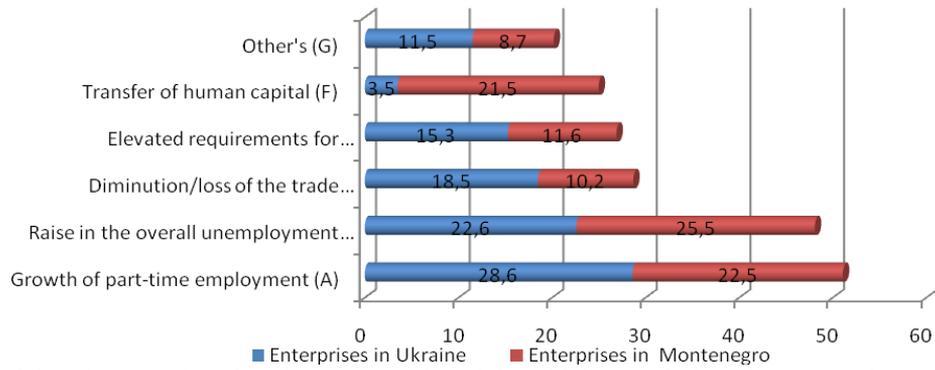


Figure 3. Prerequisites for transforming the system of social and labour relations in companies associated with the economy crisis

Source: authors

Table 1. Distribution of respondents' views on the economy crisis that causes transformations in the system of social and labour relations in companies

The results of the economy crisis	Distribution of respondents' answers based on their status, %											
	mechanical engineering and metalworking			woodworking industry			production of building materials					
	SM	MM	E	SM	MM	E	SM	MM	E	SM	MM	E
A Growth of part-time employment	6.9	10.1	9.5	8.4	12.5	17.4	3.2	9.7	13.4			
B Raise in the overall unemployment rate	25.8	19.5	21.4	26.8	19.8	23.1	27.9	22.5	22.5			
C Diminution/loss of the trade union's role	15.7	22.4	28.9	13.5	15.4	27.4	16.8	14.4	26.4			
D Elevated requirements for professional competences	36.8	34.5	24.5	34.5	34.5	23.4	38.7	36.6	22.2			
F Transfer of human capital	14.8	13.5	15.7	16.8	18.8	8.7	14.4	16.8	15.5			

SM – executives and senior managers, MM – middle managers, E – employees

Source: authors

Further, the design of the study focused on identifying the impact the crisis factors produce on the status of respondents. Therefore, it was important to consider availability of trade unions in the surveyed enterprises. There were 230 respondents represented by managers of higher and middle levels. As a result of the survey, 160 people work at enterprises with an operating trade union, and the rest 70 are employees of enterprises with no trade union in action. The process of forming a sample of respondents at Ukrainian enterprises without a trade union was coupled with significant difficulties. The top management of such enterprises opposed to conducting a survey among their employees. The main reason for this, in the authors' opinion, is the reluctance to expose violations of labour rights, deteriorated quality of working life and, as a consequence, aggravation of social and labour relations within the company. Thus, the initial purpose of the study had to be reduced. The total number of objects of field research works — 54 companies (18 — mechanical engineering and metalworking firms, 18 — woodworking enterprises, 18 — companies that produce building materials) (Table 1).

The results presented in Table 1 show the growth of part-time employment as a factor of transformation in social and labour relations under crisis conditions (average 10.12 %), increase in overall unemployment (average 23.24 %), diminution or loss of the trade union's role (average 20.1 %), increase of qualification requirements (average 31.74 %), and transfer of human capital (average 14.79 %). Increased competition encourages entrepreneurs to curtail production or relocate it to areas with low labour costs. The system of social and labour relations (SLR) in companies in a crisis economy based on the crisis factors identified during the survey is shown in Figure 4.

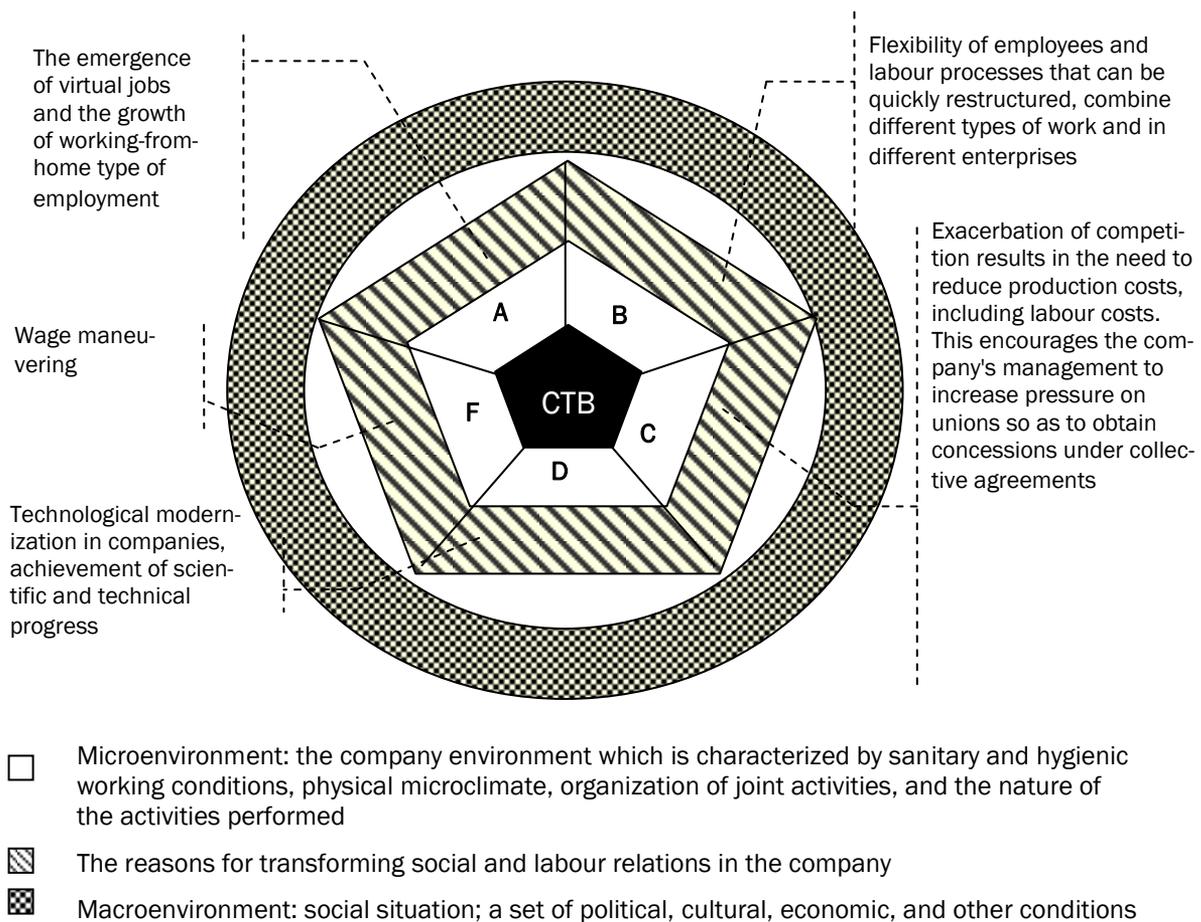


Figure 4. The system of social and labour relations (SLR) in companies under a crisis economy

Source: authors

Social and labour relations are characterized by tensions associated with the aggravation of the political and economic situation in countries and the world. The employed are in no hurry to change their jobs — they act thoughtfully and carefully. The undisputed priorities in the work are presented by salary (78% of respondents), a convenient schedule (54% of respondents), and career growth (44% of respondents).

3.2 Behaviour of employees of the company's staff in risky conditions

The analytical strategy included an assessment of a causal relationship between the behaviour of the company's staff (individual style) and crisis phenomena. The authors of the current study proceed from the position that the corporate whole is a social environment with the actual process of forming labour potential of the employees and their personality. It is important to create a socio-psychological climate in the team, which contributes to the prospects of professional and qualification growth of employees, increasing prestige of certain types of work, job satisfaction, reducing emotional stress. Characteristics of the sample of respondents at enterprises are given in Table 2.

Table 2. Parameters of the sample of respondents.

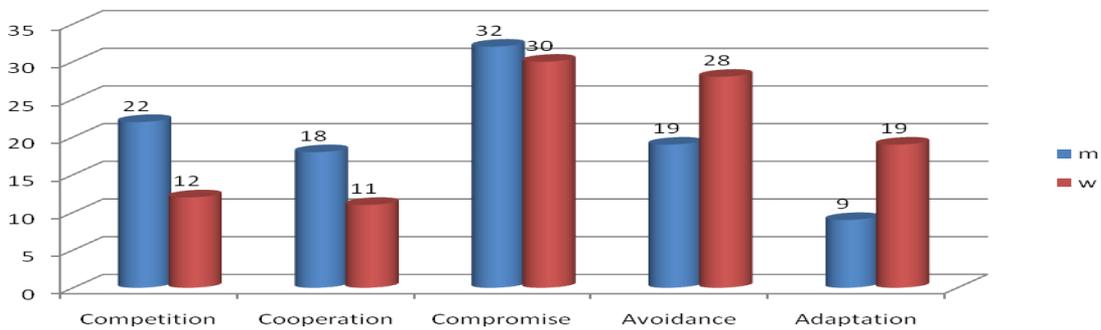
<i>Parameters of the sample</i>	<i>Companies with operating trade unions</i>	<i>Companies without trade unions in action</i>
Gender ratio	30% of men and 70% of women	Men 36%, women 64%
Age-specific rate	Under the age of 30 — 14 %, 31 to 40 — 24 %, 41 to 50 — 39 %, 51 to 60 — 20 %, over 60 — 3%	Under the age of 30 — 35 %, 31 to 40 — 26 %, 41 to 50 — 25 %, 51 to 60 — 12 %, over 60 — 2 %.
Education	Secondary special education — 46%, incomplete higher education — 16%, higher education — 38%.	Secondary special education — 39%, incomplete higher education — 25%, higher education — 36%.
Work experience	Work experience up to one year — 3 %, 1 to 5 years — 25 %, over 5 years — 72 %.	Work experience up to one year — 13 %, 1 to 5 years — 24 %, over 5 years — 62 %.
Status groups of respondents	9 % — top managers and senior managers, 23 % — middle managers, 68 % — specialists and workers	11 % — top managers and senior managers, 29 % — middle managers, 60 % — specialists and workers

Source: authors

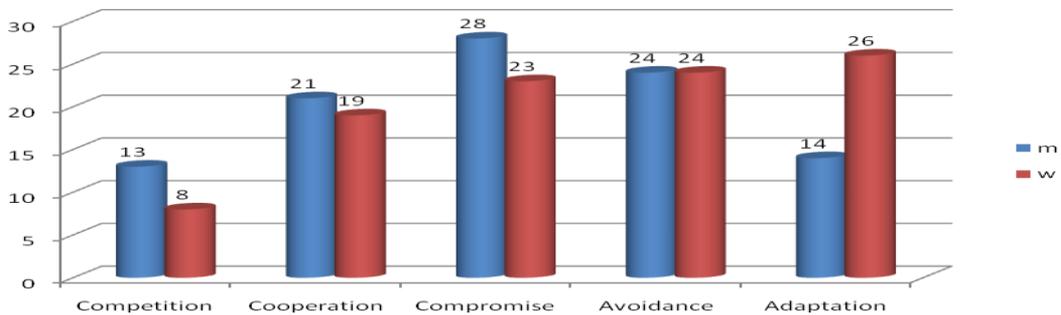
Thus, the survey involved respondents of different ages. As we can see, most of the respondents have higher education; a slightly smaller number of people have secondary special education; however, there are also people with incomplete higher education among those employed. Having received education, the vast majority of people do not find it applicable and are forced to work outside their specialty, or they believe that it is more appropriate to work in any other field that is not relevant to their degree.

Using the Thomas test (Thomas 1971), the authors studied the individual styles of employee response to crisis situations based on the gender ratio (Table 5), education (Table 3), age (Table 4), work experience (Table 5), and status (Table 6). In order to assess the perception of problems and creation of the social and psychological climate, the Psychosocial Work Environment and Stress Questionnaire (PWSQ) was used (Agervold 1998).

Empirical data obtained during the study show that in companies with an operating trade union, women prefer the behavioural style of avoidance (28 %) and compromise (30 %) in a crisis, and men — the style of competition (22 %) and compromise (32 %). At the same time, the behavioural strategy of compromise is almost equally chosen by respondents grouped based on their gender. In companies with no trade union in action, women tend to choose a strategy of adaptation (26 %), and men — a compromise (28 %) under crisis conditions. At the same time, the behavioural strategy of avoidance is almost equally chosen by respondents grouped based on their gender.



a) Companies with operating trade unions



b) Companies without trade unions in action

Figure 5. The results for individual styles of employees' responses to crisis situations based on the gender ratio, %.

Source: authors

Table 3. The results for individual styles of employees' responses to crisis situations based on their education, %.

Individual styles of response	Companies with operating trade unions			Companies without trade unions in action		
	special secondary education	incomplete higher education	higher education	special secondary education	incomplete higher education	higher education
Competition	8	12	39	11	13	33
Cooperation	12	16	24	20	26	8
Compromise	22	24	18	26	25	30
Avoidance	34	30	12	19	16	10
Adaptation	24	18	7	24	20	19

Source: authors

The results of studies on individual styles of employee response to crisis situations based on the education criterion confirm that the employees' level of qualification and general culture as one of the main complex social indicators determines the style of their behaviour. At the same time, employees with higher education prefer the competitive strategy (39% and 33% of employees, respectively) at enterprises with and without an operating trade union. Employees with incomplete higher education and special education prefer the strategy of avoidance (30% and 34%) at enterprises with an operating trade union. The strategy of compromise is observed at enterprises with no trade union in action (25% and 26%).

The results of studies on individual styles of employee response to crisis situations based on their age show that the younger the employee in the studied age range is, the more he adheres to the competitive strategy.

Table 4. The results for individual styles of employees' responses to crisis situations based on their age, %

Individual styles of response	Companies with active trade unions					Companies without active trade unions				
	under 30	31 to 40	41 to 50	51 to 60	above 60	under 30	31 to 40	41 to 50	51 to 60	above 60
Competition	38	32	24	18	7	28	29	22	18	4
Cooperation	24	26	32	34	18	16	26	20	34	22
Compromise	18	17	22	20	24	22	22	24	20	16
Avoidance	9	11	12	16	26	15	10	16	16	28
Adaptation	11	14	10	12	25	19	13	18	12	30

Source: authors

Table 5. The results for individual styles of employees' responses to crisis situations based on work experience, %.

Individual styles of response	Companies with active trade unions			Companies without active trade unions		
	Under 1 year	1 to 5 years	Above 5 years	Under 1 year	1 to 5 years	Above 5 years
Competition	18	21	32	14	16	27
Cooperation	8	12	9	9	11	8
Compromise	13	16	11	16	18	11
Avoidance	27	26	22	29	29	24
Adaptation	34	25	26	32	26	30

Source: authors

The results for individual styles of employees' responses to crisis situations based on the length of their service prove that in companies with an operating trade union, the competitive style is chosen by the employees with more than 5 years of work experience (32%). The strategy of avoidance is preferred by those with 1 to 5 years of service (26%). Employees with work of experience of more than one year choose the adaptive style (34%). In companies with no trade union in action, the competitive strategy is chosen by employees with more than 5 years of work experience (27%). The avoiding style is preferred by those with 1 to 5 years of labour service (29 %). With the accumulation of professional experience, the tendency towards a strategy of compromise increases.

Table 6. The results for individual styles of employees' responses to crisis situations based on their status, %.

Individual styles of response	Companies with operating trade unions			Companies without trade unions in action		
	Senior executives and managers	Middle managers	Specialists and workers	Senior executives and managers	Middle managers	Specialists and workers
Competition	31	34	22	28	26	19
Cooperation	13	10	16	10	12	14
Compromise	22	16	18	21	16	16
Avoidance	8	11	13	15	14	19
Adaptation	26	29	31	26	32	32

Source: authors

The results of studies on individual styles of employee response to crisis situations, depending on their position in the production hierarchy, demonstrate that the competitive style has the highest rank

number. Thus, we can say that the status of the employee requires a high need for approving decisions by members of the corporate whole. This leads to formation of their competitive tactics of behaviour in a crisis situation. This contributes to accumulation of negative emotions and mutual resentment and has a negative impact on the social-psychological climate of the company. The overall results for individual styles of employees' responses to crisis situations are presented in Figure 6.

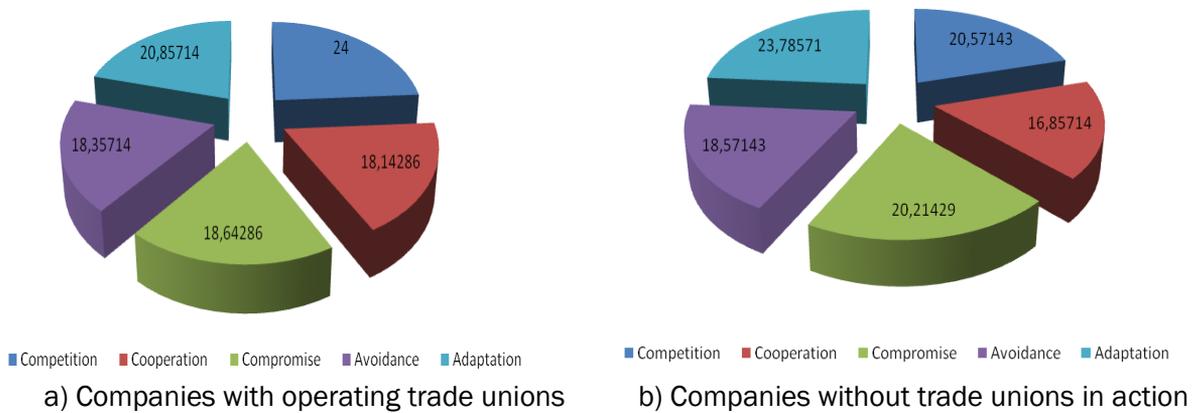


Figure 6. Overall results for individual styles of employees' response to crisis situations, %

Source: authors

The growing complexity of work and social and labour relations in a crisis makes it impossible to use traditional methods of personnel management based on personal experience, intuition, and strong-willed decisions of the manager or executive. In crisis conditions, these methods give a rather imperfect organization of work and only by chance they provide the best of the possible options for achieving the desired result.

The researchers also identified innovative approaches to managing staff behaviour in new configurations of social and labour relations. The results of the research were further processed with the help of correlation and comparative analysis (Tutz 2011). Conducting a correlation analysis between the crisis and the individual style of employees provided an opportunity to identify the style of managing employee behaviour.

Spontaneity (striving for leadership, self-affirmation) at a high and significant level correlates with the compromising style ($p < 0.001$).

Sensitivity (focus on the authority of a stronger personality, conformity) significantly correlates with the avoiding style ($p < 0.05$).

High-level introversion correlates with the strategy of avoiding unnecessary social contacts, emotional coldness ($p < 0.05$).

Rigidity (subjectivity, intrusiveness, pedantry, and suspicion) has an inverse correlation with the response style of cooperation ($p < 0.05$) and a high and significant level of correlation with the response style of competition ($p < 0.001$).

In particular, there are weak correlations between the style of crisis response and the work experience in the company which indicate the dominance of stability and comprehensive thinking, focus on real relationships of objects and features, on the adoption of specific considered decisions ($r = -0.32$). There is also a strong correlation between the style of crisis response and the gender ratio in the company ($r = -0.703$). A high correlation between the style of crisis response and the age of employees ($r = -0.7819$) as well as education ($r = -0.85$) is also determined. At the same time, the results of the study show that those employees who choose the behavioural strategies of adaptation and competition experience a high level of emotional stress and display significantly more psychological signs of stress ($p < 0.001$), chronic fatigue ($p < 0.001$) and psychosomatic symptoms. ($p < 0.001$).

Next, the Crosstabs procedure in the SPSS Base program is used with the criteria set by researchers (Lumley et al., 2015). The first two criteria set the rows and columns of two-dimensional tables (features of education and individual behaviour in a crisis situation, and the third feature is gender-based, i.e. sex — the control variable which sets the strata of the three-dimensional table (Table 7).

Table 7. Conjugation Table

Parameters of the sample	Education	Individual styles of employees' responses to crisis situations					Total
		Competition	Cooperation	Compromise	Avoidance	Adaptation	
men	Tertiary education (levels 5-8)	11	8	5	3	3	30
		36.67 %	26.67 %	16.67 %	10.00 %	10.00 %	100%
	Upper secondary and post-secondary non-tertiary education (levels 3 and 4)	8	10	8	7	6	39
		20.51 %	25.64 %	20.51 %	17.95 %	15.38 %	100%
	Less than primary, primary and lower secondary education (levels 0-2)	5	9	10	12	6	42
		11.90 %	21.43 %	23.81 %	28.57 %	14.29 %	100%
Total (men)		24	27	23	22	15	111
%		21.62	24.32	20.72	19.82	13.51	100
women	Tertiary education (levels 5-8)	8	6	6	4	3	27
		29.63 %	22.22 %	22.22 %	14.81 %	11.11 %	100 %
	Upper secondary and post-secondary non-tertiary education (levels 3 and 4)	5	11	13	9	5	43
		11.63 %	25.58 %	30.23 %	20.93 %	11.63 %	100 %
	Less than primary, primary and lower secondary education (levels 0-2)	4	13	12	9	11	49
		8.16	26.53	24.49	18.37	22.45	100%
Total (women)		17	30	31	22	19	119
%		14.29	25.21	26.05	18.49	15.97	100
Total (men & women)		41	57	54	44	34	230

Source: authors

The indications were interrelated (i.e., the hypothesis of their independence was analysed and rejected). Therefore, it is of interest to assess the strength of connection. To measure the strength of the connection when analysing the conjugation tables the following coefficients are used: coupling coefficients based on χ^2 ; ranks; coefficients that measure the information relationship between factors. Next, χ^2 is calculated for the combination table with the degree of freedom that equals to 20 (Table 8).

Table 8. Criterion χ^2 for the Combination Table

Parameters of the sample	Statistics	Results
men	Criterion χ^2 Pearson's	65.294
	Criterion χ^2 with Yates correction	65.674
	Criterion χ^2 adjusted for plausibility	67.491
	Linear connection	24.734
	Number of valid observations	111
women	Criterion χ^2 Pearson's	60.881
	Criterion χ^2 with Yates correction	63.344
	Criterion χ^2 adjusted for plausibility	64.281
	Linear connection	23.437
	Number of valid observations	119

Source: authors

According to the results summarised in Table 8, it is concluded that for both strata — men and women — the requirements for the cell occupancy is met. Therefore, we should take a statistical conclusion about the importance of the relationship between the considered features of education and individual style of behaviour in crisis. The value of the Pearson criterion $\chi^2 = 65.294$ for the first stratum at 20 degrees of freedom is significant at a high level of not more than 0.005, and for the second strata $\chi^2 = 60.881$ is at a high level of not more than 0.005. This conclusion is confirmed by the values of other coefficients based on Pearson's criteria. The criterion ϕ equals to 0.518 and 0.492, respectively; Cramer's measure comprises 0.231 and 0.222, respectively for these layers; the conjugation coefficient is 0.254 and 0.261, with the same level of significance.

3.3 The mechanism of managing social and labour relations in the company in a crisis economy

In terms of rapid pace development of social relations, the timeliness and correctness of management decisions largely depend on how effectively the employees' work is organised. Based on the results of the study, it is necessary to consider the relationship between groups and individual members of the corporate whole in order to improve the efficiency of staff in crisis conditions (Figure 7).

The employee effectiveness is based on the complementarity of their actions. If the actions are characterized by complementarity, then the relationship between them is complementary – this is possible due to coordination of motives and incentives, powers and responsibilities. Social-psychological climate has a direct impact on the well-being of corporate members, on the way joint decisions are developed, taken and implemented, and on achieving the effectiveness of joint activities. It is manifested in work motivation, employees' communication, and their interpersonal and group relationships. Social and labour relations affect the efficiency of the production process. The complementary level of social and labour relations is characterized by the consistency of the company's goals and individual goals, the balance of motives and incentives, and a clear division of responsibilities for the result.

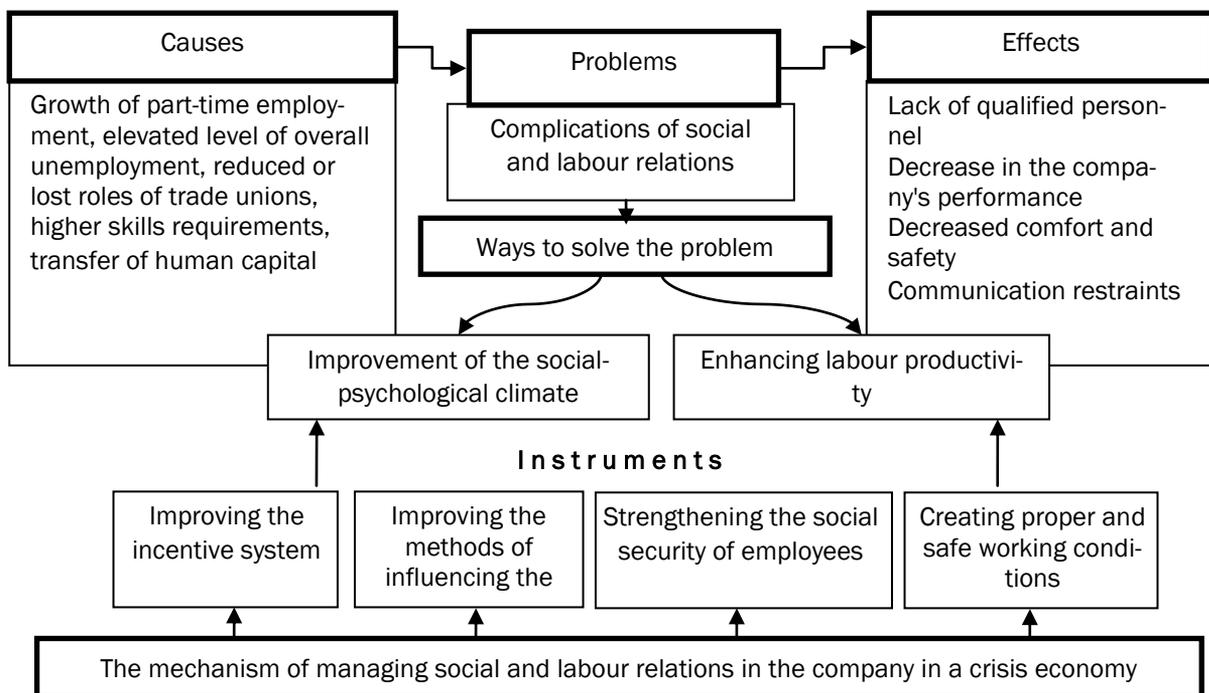


Figure 7. The mechanism of managing social and labour relations in the company in a crisis economy.

Source: authors

The development of the company in a crisis economy is provided by social and labour relations, which determine the efficiency of employee's activity. The configuration of social and labour relations in a team is determined by the objective causes of labour market disparities. It also depends on the fact that the lack of jobs and a high share of unsafe working conditions, the inconsistency of labour quality to modern production requirements, the irrationality of the sectorial structure of employment, low wages are due to the regulation of this area. The state of a social and labour segment in the company is determined by the effectiveness of corporate policy measures for human development. The system of social and labour relations makes it possible to ensure the stability of the company in a crisis economy by understanding the reasons for their transformation, the availability of effective contractual mechanisms to ensure employee participation in decisions that allow them to influence the quality of working life. Assessment of social and labour relations provides an appropriate personnel policy, the development of collective employment relations which determine the procedure for payment of wages.

The proposed mechanism for managing social and labour relations in the company in a crisis economy can bring real value in financial terms. This is possible due to the strategy of personnel management in crisis conditions; increasing motivation in the workplace; fairness and transparency in the company activities; timely informing people on important issues; removing social and psychological tension by carrying out joint leisure activities, optimizing working hours for executives; reducing the employee's dependence on the manager; encouraging initiative, and providing career growth prospects.

The practical significance of the study is that the use of its results allows improving the entrepreneurial and other activities of the corporate whole, to develop the most effective economic, social and organizational measures, to put forth unused reserves for improving production efficiency and social development. In times of developing information society, the most important characteristic of which is an extremely enhanced role for the human factor in management and production, there are increasingly active attempts to shift to socio-psychological and spiritual methods of influencing the workforce, especially considering the employee interest in decision making.

CONCLUSIONS

The authors developed an idea of new configurations of social and labour relations as a context. This scientific proposal is motivated by the economic crisis and aims at effectively addressing the issues of personnel management. The system of social and labour relations has resulted from many years of experience gained by institutions and professional communities in a number of countries. To effectively address the issues of personnel management in a crisis economy, the authors recommend using methods focused on priority and long-term areas of transformation of the workforce's activities. The study allows us to say with confidence that the ability to interact in crisis situations comes from the impact of the content and conditions of the activity itself and accumulation of social and professional experience.

To study a complex correlation between different aspects of social and labour relations, we used a configuration approach. The results generally confirm that the strategy of employee behaviour affects the social-psychological climate in the work environment. In addition, we can say that the system of social and labour relations effect the performance of the organization and productivity of employees.

The results demonstrate that an employee's individual style in a crisis can directly or indirectly contribute to the level of emotional tension in a corporate whole.

Workers who resent to the strategy of avoidance or adaptation in a crisis economy feel more negative about other factors of the work environment since they constantly experience a high level of negative emotional impact. In addition, this category of employees may not take advantage of opportunities provided by the work situation such as social networking, professional growth and personal development. High qualification requirements as well as authoritarian or non-constructive management style is likely to cause ineffective management in crisis conditions and lead to a negative social-psychological climate and a high level of emotional stress in the workforce.

The results obtained demonstrate that the configuration of social and labour relations significantly affects the application of personnel management methods in the company. We observe a probability of

the positive configuration, which is characterised by a balance of management methods and individual behavioural styles of employees as well as the negative configuration associated with a lack of this balance. The results obtained demonstrate that management methods play an important role in forming a favourable social-psychological climate in a crisis economy. However, the scope and nature of the necessary management practices are determined by the configuration of social and labour relations in the company. Thus, the assumption that personnel management methods can be successful in crisis conditions is valid only under certain configuration of social and labour relations. The mechanism of management of social and labour relations in the company, which is universal from the point of view of the basic problems and various functional characteristics, has been developed. This mechanism allows to identify the issues for regulating social and labour relations based on a system of interrelated indicators and to assess the existing disparities in social and labour relations.

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