

УДК 351/354:331.5 (330.342.24)

**Levchenko Anna,**

PhD, Assistant professor of labor economics and management department

**Savitska Inna,**

PhD student, Department of Economy of Labour and Management

*Kirovohrad National Technical University*

## The current challenges of reproduction of the human capital in the agricultural sector of Ukraine

We live in an era when in many countries worldwide, including Ukraine, the modern global developments have led to further establishment of new living standards and human capital formation appropriate for this particular time. The production capacities of economic links that can ensure the effective operation of production depend on its quantitative parameters and qualitative characteristics. The production system, which is based on the formation of intellectually innovative model of development of the agricultural economics, focuses on proactive and highly skilled workforce, continuous enrichment of knowledge, the engagement of effective mechanisms of formation and use of human capital.

The assessment of human capital of Ukraine at the present stage is ambiguous. There is some improvement in the quality of its characteristics: the share of population with higher education increases; computer literacy also increases; the ability to work in emerging market environment is formed; entrepreneurial activity increases. The agricultural sector of Ukraine has a very powerful resource potential: fertile soils, favorable climatic conditions, hard-working and highly educated workforce, favorable geopolitical location. In this regard, the investments in human capital, especially in a highly qualified work force, play a major role in the development of the sector of economy. Human capital is the totality of knowledge and skills which have been accumulated during life thought education, training and work experience and which influence on labour productivity [2].

The rates of reproduction of population do not increase, so that its structure becomes more pronounced depopulation character: health indicators of people of all ages worsen - the past 10 years the number of the first registered diseases increased by 2 million cases, or at 7%; the intensity of labour emigration of the working population increases - according to the expert estimates, today more than 3.5 million of our citizens work abroad; the rates of aging of population increase – for the years 2010-2014 the share of the population older than 50 years, in the total population of Ukraine has increased by 0.6 percentage points, from 32.8 to 33.4% .

It should be noted that the quantitative characteristics of human capital are closely related to demographic processes, with the indicators of reproduction of the workforce. The demographic situation, which is now in Ukrainian villages, is a reflection of the socio-economic living conditions of the rural population. The defining characteristics of the current demographic situation in rural areas are: depopulation, caused mainly by the natural reduction of population, the growth in the number of older people with reduced number of children, deterioration of health, especially of the population of working age. The main reasons for these trends – the incidence of poverty due to insufficient and sometimes – unreasonably low wages, particularly in rural areas; inefficient system of professional education, training and retraining of employees; the poor state of medical care and low efficiency of measures to improve healthcare.

Another factor is the level of the education, knowledge of the individual and population in general that shapes the quality and value of human capital. Indicators of education of population, employees of the certain organizations characterize accumulated educational, intellectual and creative potential. The quality and level of education of rural youth worsens in Ukraine, the share of rural population that has only basic secondary education increases. This situation is caused by low-income standard of living of the agricultural regions, a difficult financial situation, and unsatisfactory conditions of the educational institutions [1].

It is proved that 32.2% of peasants have more than 25 years of work experience and another 22.5% – from 16 to 25 years. This experience, because of its obsolescence is a factor limiting the use of human capital. If previously training was planned and took place periodically and with state funds, the past 20 years the situation has changed with the updating of knowledge not for the better. Firstly, the share of people who learn new professions and improve their skills reduced, and secondly, agricultural workers least are involved in these processes: in 2014 only 0.4% of the number of employees trained new professions, 0.8% improved their skills, at a time when in other sectors of the economy these processes are more developed [2].

Of course, the old experience needs renovation of knowledge. This suggests, first, the need for advocacy on the feasibility of studying among the adult rural population, and secondly, the need for institutional changes in the provision of educational services.

Indicators of education of rural population, measured by the number of years of education are quite high and on average 11 years. The problem is the quality of the knowledge gained. The acquired knowledge often does not meet the requirements of modern management. Given the current age structure of rural population (annual increase in the number of older people), is to assume that much of the knowledge obtained many years ago and they meet the requirements of the planned economy, inherent administrative-command system.

Consequently, the outflow of skilled workers from agricultural enterprises indicates a loss of accumulated human capital (specific skills, experience, and informal relations). In order to preserve the accumulated human capital and formation of its new features in agricultural enterprises it is necessary to increase the wages of highly skilled workers, to ensure proper conditions of work and rest, encourage employees to self-motivation and increasing of level of qualification. After all the accumulation and effective use of available human capital does not only make it possible to achieve high competitiveness, but also provides a rational and efficient use of production resources; the opportunity to introduce new techniques, technologies, develop production of new types of agricultural products; production of quality products and processed products; high productivity and quality of work; the capacity to carry out different types of innovation.

In current conditions, for the qualitative improvement of existing human capital it is necessary: the formation of public and individual disposition on priority of healthy lifestyle, social and personal motivation to preserve and strengthen health; the implementation of institutional changes in the provision of educational services in the expansion of continuing education, systematizing of advisory services, adaptation of skills through training to management of modern requirements.

## References

1. Levchenko O. M. Professional capacity: the regulatory mechanisms of the innovation development. Monograph. – Kirovograd: COD, 2009. – 375 p.
2. Savitska I. Current State and Prospects of Development of Human Capital in the Agricultural Sector of the Economy// Proceedings . – 2015. - P. 94.