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ABSTRACT

of the dissertation for the degree of Doctor of Philosophy

INNOVATIVE HUMAN RESOURCES MANAGEMENT DIRECTIONS IN THE BUSINESS ENVIRONMENT IN AZERBAIJAN

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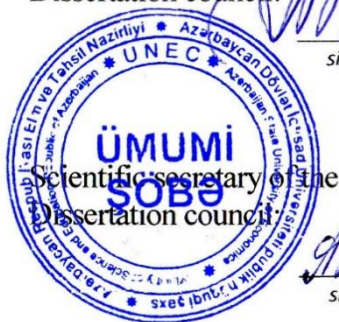
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INTRODUCTION

Relevance of the topic. In modern conditions, multi-purpose, mixed, complexly structured, multifunctional production enterprises and business entities have been formed. Such structures require the formation and improvement of innovative management functions. As a result, all values in the market sphere change and new systems arise.

Concepts such as human resources management, personnel management, personnel management, and personnel management are closely related to the concept of "Economics of Personnel". The economics of personnel, in addition to constituting the basis of human resources management, forms the source of demographic potential as a whole. Therefore, in terms of human resources management, personnel training, personnel selection, personnel risks, and other issues related to organizational behavior become relevant. For this reason, activities related to a person and his character and behavior, as well as issues such as professional specialization in the field, also become relevant. The above-mentioned justifies the affirmation of human resources management as a special form of management. This form of management is intrinsically connected with the uniqueness and character of a person, and is related to the solution of modern problems such as the reproduction and exchange of labor. Human resource management requires professional innovation and innovative methods that affect the formation and specialization of personnel, which in turn necessitates the implementation of organizational, economic and strategic measures aimed at stimulating and increasing the activity of personnel.

It is known that the cause of the unemployment problem is not only the lack of jobs, but also the fact that the vocational education and work skills of unemployed and job seekers do not meet the requirements of the modern labor market.

In order to ensure the development of vocational education in Azerbaijan and increase labor productivity in the "Strategic Roadmaps" for the prospects of the national economy, the main priorities are the implementation of incentive mechanisms based on the development of human capital, the creation of model enterprises for small and medium-sized enterprises, and the promotion of an entrepreneurial mindset.

In addition to the above, studying the changes that have occurred in business entities in recent years , identifying existing shortcomings, and developing and implementing innovative human resource management models is of great importance and remains relevant in terms of the development of human resource management.

Object and subject of the research. The object of the research is innovative methods and technologies applied in human resources management of business entities with different organizational legal forms , and the subject is the rules applied in human resources management, international standards, conventions, modern requirements and principles of personnel selection . The field of human resources management in enterprises operating in the business environment of Azerbaijan . The main focus of the object is the application of human resources management systems, the development of innovative approaches in this field , the motivation of the workforce, the impact of training and development - strategies on the productivity and competitiveness of organizations .

The subject more broadly examines how the application of innovative approaches in employee selection, training, development, labor motivation, leadership, and organizational culture development affects management processes, as well as how these changes affect employee performance and the overall success of the organization.

Innovative management trends applied in the field of human resources management in the Azerbaijani business environment and the impact of these trends on the development of enterprises.

The purpose and objectives of the study . The purpose of the study is to improve the application of human resource management in business, to identify the possibilities of applying innovative methods available in this field, to evaluate the socio-economic results of its application and to provide substantiated proposals. To achieve this goal, the following tasks were defined and implemented:

Grouped by studying the theoretical and methodological foundations of the formation of human resources management;

The characteristics of the transition from the category of “Personnel Management” to “Human Resources Management” have been identified;

Determining the synergistic effects of innovative technologies in human resource management within the enterprise;

Determining modern requirements for motivation systems in human resources management;

Determining the effects of innovative management methods on labor motivation in the case of enterprises ;

Identifying opportunities to improve labor motivation.

Research methods. Comparative-statistical analysis, methodological generalization and grouping, economic-mathematical statistics, and survey methods were used in the research process.

The main provisions put forward for defense:

- Comprehensive and systematic investigation of the formation of human resources management;

- Studying progressive world experience in solving problems arising in human resources management, drawing relevant conclusions, and developing effective mechanisms in this direction;

- The possibility of exploring different concepts and promoting innovative methods in terms of labor relations;

- In terms of modern challenges, it is necessary to identify more efficient and adequate directions for human resource management in business, to provide substantiated recommendations and action strategies for the comprehensive use of existing potential and prospects.

Scientific novelty of the research.

- The factors influencing the formation of human resources management have been comprehensively and systematically investigated, and the effectiveness of a more optimal indicator system has been scientifically and theoretically studied (1.1);

- The methodological features and concepts of human resource management in business were summarized and studied, and a system of indicators affecting innovative management was identified (1.2\1.3);

- innovative management technologies on personnel flow and motivation were evaluated on the example of specific enterprises (2.1).

- In the case of enterprises, internal and external factors affecting the motivation of personnel were analyzed and evaluated using appropriate tests (2.1).

- Factors affecting the effectiveness of human resource management were identified through a survey method, and the extent to

which these factors are subject to influence, can change due to immediate social situations, and their cause-and-effect relationships were determined (3.1);

- With the application of new motivation technologies, the behavior of employees in various work situations was evaluated, and cause-and-effect relationships were established between them (3.1);

- Factors affecting the social qualities and personal interests of employees were assessed, taking into account the specific conditions of labor activity (3.1);

- A new assessment methodology for innovative human resource management in business has been developed (3.2).

Theoretical and practical significance of the research. The theoretical significance of the dissertation work is the scientific and theoretical study of the methodological features of human resource management in business, economic efficiency, recommendations for improving the principles and mechanisms of human resource management, the impact of personnel flow and innovative methods on business motivation systems and satisfaction, and the determination of the cause-effect relationships of these effects.

The practical significance of the dissertation work is the innovative methods and mechanisms for the efficient use of personnel potential in human resource management in the enterprises included in the research object, the solution of problems of improving human resource management in business, etc.

Approbation and application of the research results. The main provisions and results of the research work were presented at international and republican scientific-practical conferences. The main provisions of the research work were reported at 12 scientific-practical conferences held in the republic, 8 articles and theses related to the dissertation were published.

Organization where the dissertation was completed. It was completed at the “Economics and Management” department of the Azerbaijan State University of Economics.

Structure and volume of the work. The dissertation consists of 172 pages, including an introduction (12,470 characters), 3 chapters (Chapter I 117,553 characters, Chapter II – 41,243 characters, Chapter III

– 79,524 characters), conclusion (6,267 characters) and a list of used literature. The dissertation consists of 37 tables, 6 figures, 5 schemes and a list of literature with 106 titles.

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THE MAIN SCIENTIFIC PROPOSITIONS PUT FORWARD FOR DEFENSE:

1. Reasons for the transition from the category of "personnel management" to "innovative human resources management", their distinctive features

As human society developed, scientific views on the essence, content, form, and role of management began to take shape. Various scientific views have had an impact on the formation of the scientific foundations of management and laid the foundation of management science.

“Human resource management” as an integral element of the science of “management” was formed under the influence of a number of sciences: management itself, psychology, sociology (including labor sociology, industrial sociology), ethics, organizational economics, labor law, conflictology, etc. The expression HR is an abbreviated form of the English expression “human resource”. Its meaning is human resources. The expression “human resource” was first expressed in science by the American economist John Commons (1862-1945) in his work “Distribution of Wealth” written in 1893, but the author did not work out the theoretical foundations of this term later. The first to explain the meaning of the expression “human resource” was Edward Wight Bakke (1903-1971), a professor at Yale University in America, an economist and sociologist.

Human Resources emerged in the late 1800s with the Third Industrial Revolution, when the use of resources changed from natural to mechanical methods (from land to technology), and events and processes related to this term began to emerge. Interest in personnel management in organizations developed in parallel with industrialization in Western countries. This development process appeared earlier in the United States than in European countries. Frederick Winslow Taylor (1856-1915) is considered one of the first Human Resources specialists and is the founder of the theory of “Digital Taylorism” [23, p. 233].

Taylor is the owner of many ideas in the field of human resources management. The author's theory of "Scientific Management" has had a great influence on the development of HRM. This theory manifests itself in two directions: social and political. The first influence can be attributed

to human resource costs. Proper management of the company is considered one of the main tasks set by the HR department. In this process, it is clear that the important resource of the company is not only to protect financial resources, but also to unite the right people at the right time. With such effective management, errors and absenteeism begin to decrease. This is indirectly reflected in the mood of employees, the quality of products and services. The costs spent on HR do not consist only of gross prices. There are also costs required for the formation and development of the team, which include the costs of providing personnel, their selection, education, ensuring social conditions and protection, etc. [12, p. 34]

A detailed review of the theoretical and practical aspects of human resource management is given by M. Armstrong in "The Practice of Human Resource Management". The author proceeds from the thesis that the development of human resources in a modern organization is one of the main factors for its improvement. This justifies the value and importance of managing human resources, their intellectual potential. As the main goal of human resource management, M. Armstrong puts forward "ensuring the success of the enterprise (organization) with the help of people". The same human resource management should be aimed at the commitment and use of the "learning organization".

“ Formation of the conceptual foundations of innovative human resources management;

The application of innovative methods to human resources management combines the following features:

1. Humans are capable of both physical and mental labor, and are able to subjectively react to external influences;
2. Labor can create value beyond itself and takes a certain amount of time to perfect;
3. The relationship between employee and employer is not only legal but also long-term;
4. The employee and the employer are different parties and both have expectations. [30, p7-13]

Thus, innovation is not only characterized by the introduction of new technologies, but also manifests itself in management decisions. Therefore, the development of an enterprise depends on favorable

working conditions for its employees, the availability of career opportunities, and the presence of other stimulating factors.

Any enterprise must identify and evaluate the potential capabilities of its employees and be able to use their mental labor effectively. There are common characteristics that necessitate the application of innovative methods in human resource management, which can be grouped as follows:

- Changes in human resources management are aimed at solving specific problems in accordance with the company's development strategy;

- It is impossible to predict in advance what results the innovations to be implemented will lead to;

- Structural changes made in the enterprise may not be welcomed by employees;

- The effect of innovations to be implemented in management is risky [19, pp. 122-128].

2. Models of innovative human resource management and their characteristics

Currently, modern human resources management requires the use of large-scale information - intensive software modules to manage personnel, calculate and pay wages, conduct training and development processes, recruit, assess competencies, automate business processes in the field of spreadsheet accounting and document circulation, and - ultimately make optimal management decisions. The state of organization of modern management systems on the example of domestic and foreign enterprises has been analyzed in this paragraph. Thus, let us try to analyze some points on the example of the State Oil Company of the Republic of Azerbaijan (SOCAR), one of the companies of strategic importance in the world . SOCAR is one of the largest oil companies in the world and the largest in the region .

The personnel policy implemented at SOCAR is aimed at retaining the company's existing personnel, developing them, making more efficient use of human resources capabilities , and at improving personnel management in line with international standards, the ever-changing needs of the market economy, and SOCAR's development strategy.

In accordance with the order-decision of SOCAR No. 81 and 14-29a dated July 3, 2012 “On stimulating the release of surplus labor forces in connection with the implementation of measures to optimize the number of employees at SOCAR”, in 2019, 379 employees of the Company were given a one-time severance pay in the amount of 1,684,296 manat, including 377 retirees in the amount of 1,682,321 manat (in the amount of 5 times the average monthly salary).

3. Assessment of modern requirements for innovative human resources management and the application of innovative technologies

Human power is the main asset of companies, and the human resources that can maintain this power in the company are a factor that directly affects the company's productivity. Company managers believe that achieving the goals set by the company is more related to technical means. No matter how much money company managers allocate to technical means, it is difficult to achieve the goal or ensure the sustainability of the achieved result with these means. Although 10% of the problems that arise within the company are related to technical means, the remaining 90% mainly fall on the share of human resource management. Human resource management is more important for any enterprise than technical and all other factors. Previously, the human factor was only evaluated as a resource that uses its knowledge and skills for the benefit of the company in exchange for the salary paid to it. However, in modern times, the human factor has gained more importance. Companies are now trying to set their goals based on the human factor, and as a result, enterprises that take such steps benefit more from the work abilities of their employees.

The methods of motivating employees within the company are different. That is why, in order to fully master the motivation process, it is necessary to examine the reasons that compel people to behave in a certain way, the goals of the employee, the assessment of the duration of specific behaviors, and to accept that people are not alike. The root of motivation is to spend the material and moral gains that people earn by working to meet their needs. For this reason, most people want to work in jobs that provide security and allow them to earn high incomes. In modern

times, different and numerous need structures have emerged, which has created a desire for people to earn more and spend more [12, pp. 231-234].

4. Mechanisms for organizing modern motivation systems in innovative human resources management

In recent years, one of the successful management systems that has been applied to make employees more efficient at work is motivation management. Motivation - It is to ensure that employees carry out their work effectively and efficiently, as well as to support the execution of work. Regardless of the volume of work, any goal in terms of results is the implementation of work. It is the motivation level of the individual that creates this desire.

All of the above creates the need to analyze and evaluate the impact of human resource motivation on work performance, which, as a result, stimulates us as researchers to put forward appropriate hypotheses and determine the validity of these hypotheses towards solving these problems.

The questionnaire survey method was used during the analysis. The questionnaire survey method was prepared by us in two directions. The survey consisted of 7 questions in the first direction and 9 questions in the second direction. The “IBM SPSS” 23” statistical software (Statistical Package for the Social Sciences) was used to evaluate the hypotheses of the analysis. During the analysis, the following statistical tests were used: “Frequency”, “Factor” analysis, “Normality” and “Kruskal-Wallis” test, “Mann-Whitney U test”, “KMO test”, “Pearson Correlation, Regression”. The results obtained were grouped using tables and shown in the “Findings and Comments” section.

The main reason for not defining the main population (“segment”) during the analysis is to provide a more detailed study of the factors that affect the motivation of employees in the industrial and banking sectors in Azerbaijan. In addition, the analysis also included an assessment of the effectiveness of new methods affecting human resource management. Although the online survey was conducted with the participation of 309 respondents, the number of respondents who answered the questions correctly was 250.

The main purpose of the analysis is to measure the effectiveness of the application of motivation systems in the banking sector, the organizational legal form of which is an Open Joint Stock Company, and to identify and evaluate the factors affecting these systems. As a result of the assessment, the forms of application of motivation systems in banks and new methods to be used in this field will be determined.

During the assessment, we put forward scientific hypotheses. Thus, for the analysis and assessment of the application of modern motivation systems in banks operating in Azerbaijan and having the organizational legal form of an Open Joint Stock Company, the main and auxiliary hypotheses put forward by us were analyzed and the results of the analysis were compared with these hypotheses. As a result of the comparison, the level of confirmation of the hypotheses put forward by us was examined and proposals were put forward. The main indicators (inductors) and content of the hypotheses set for the analysis were determined as follows:

- Main hypothesis - H0: "Innovative management methods in human resources improve its constituent elements"

- Derivative hypotheses:- H1, H2, H3, H4

H1: Banks that implement innovative management methods have lower overall staff turnover;

H2: In banks that implement innovative management systems, employee satisfaction levels are high; H3: In banks that implement innovative management systems, at least one of the factors affecting motivation can affect employee motivation;

H4: The work environment in banks that implement innovative management systems is one of the factors affecting employee motivation;

The main limitations of the assessment were noted as follows:

- The main participants in the assessment were identified as commercial banks operating in Azerbaijan. Relevant regulatory legal acts regulating the disclosure of information in the banking system are considered to be restrictions affecting confidentiality;

- We have designed the questions to be simple enough for respondents to fully and completely understand the questions asked of them;

- The assessment was prepared solely in accordance with the requirements of the questionnaire survey method and analyzed based on

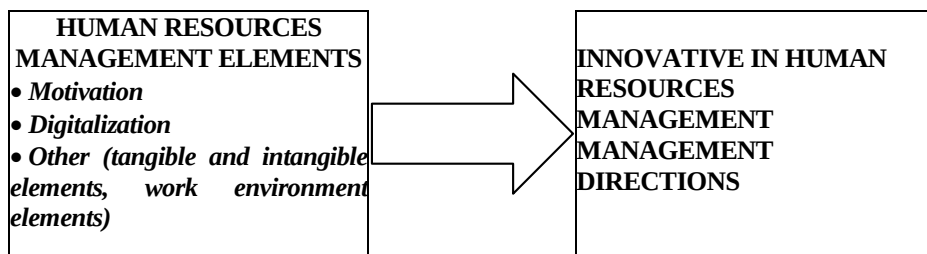
the data obtained from this method;

- The data obtained during the assessment, their analysis and results covered a limited period (17.09.2019-17.03.2021).

The approach to the issues analyzed by the methodology of the assessment further increases its practical significance. Since comparative and analytical analysis methods are used in the assessment, this - assessment also reflects the factors that determine the cause-effect relationship. As a result of the assessment, innovative management elements that can be applied in human resources management were analyzed and appropriate recommendations were given.

5. Assessment of the impact of the application of innovative management methods on labor motivation in innovative management

The developed evaluation method was defined as follows: Based on this method, innovative management directions in human resource management were accepted as independent variables, and the factors affecting them were accepted as dependent variables (see scheme 1.)



Scheme 1. Transition of human resources independent variables to dependent variables

Source: Prepared by the author.

The object of the assessment is commercial banks operating in Azerbaijan and having the organizational legal form of an Open Joint Stock Company.

The data obtained as a result of the assessment were edited, coded, the accuracy of the data was checked, errors were corrected and analyzed using software. The data of the respondents collected through the questionnaire during the assessment were structured for analysis and the data were analyzed in the SPSS Statistics 26 (Statistical Package for the

Social Sciences) program and the results were obtained.

During the evaluation, analytical and econometric analysis models that meet modern requirements were used and specific results were obtained. During the evaluation, many modern tests were used. Thus, during the analysis, mainly frequency tests, factor analysis, Cronbach's alpha test, normal distribution testing tests, one-way regression, hypothesis testing, multiple regression, Kruskal-Wallis test, Mann-Whitney test, Correlation test, Spearman correlation test were applied.

The results of the analyses obtained from the assessment are explained in detail in the section on data processing, analysis and interpretation. All the results of the assessment were calculated at the confidence interval of $P < 0.05$ and $P < 0.01$. All the data obtained during the assessment were obtained from the first source and analyzed using the indirect judgment method. Analyses were conducted using Likert-type surveys with different scales to collect data from the respondents and specific results were obtained. Various survey types were used for the respondents to answer the questions in the questionnaire forms they answered easily and quickly. In order to obtain accurate results in the survey, analyses were conducted on the relevant variables and the results were refined.

The survey was conducted in the banking sector of Azerbaijan and was explained in section 3.1.2. Thus, the survey participants consisted of 309 respondents operating in different sectors. If we look at the areas of activity of the enterprises where the respondents who participated in the survey worked, we can see that 7.8% of the respondents or 24 respondents worked in the industrial sector, 1.6% or 5 respondents worked in the agricultural sector and 86.4% or 267 respondents worked in the service sector. In general, we can note that 4.2% or 13 people refused to answer this question.

Analysis of the data on the total work experience of the respondents participating in the survey shows that 56.6% of the respondents or 175 respondents had 1-3 years of experience, 17.5% or 54 respondents had 4-7 years of experience, 10.4% or 32 respondents had 8-11 years of experience, and 15.5% or 48 respondents had more than 12 years of experience. Additionally, we inform you that from the analysis of the data related to the education levels of the respondents who participated in the

assessment, it is revealed that 4.2% or 13 respondents have general education (primary education, basic education, secondary education), 32% or 99 respondents have vocational education (technical-vocational education, secondary specialized education, higher specialized education (bachelor's degree)), 60.8% or 188 respondents have postgraduate education (internship, residency, master's degree, doctorate, independent education, advanced training and retraining of personnel). In total, 2.9% or 9 people refused to answer this question.

The analysis of the next question used in the assessment was related to determining the age of the respondents. In general, 0.6% or 2 respondents who participated in the survey were under 18 years old, 48.9% or 151 respondents were between 19-25 years old, 32% or 99 respondents were between 26-35 years old, 11.3% or 35 respondents were between 36-50 years old, and 2.6% or 8 respondents were over 51 years old. In total, 4.5% or 14 respondents refused to answer this question.

The last question to determine the demographic indicators used in the assessment was to obtain information about the respondent's marital status. In total, 32.4% or 100 respondents who participated in the survey indicated that they were married, while 62.1% or 192 respondents indicated that their marital status was single. In total, 5.5% or 17 respondents refused to answer this question (See Table 1).

Table 1. Grouping of demographic data of the sample population

		Frequencies	Expression in percent
Sector of operation	Industrial sector	24	7.8%
	Agricultural sector	5	1.6%
	Service sector	267	86.4%
Missed spaces	Unanswered	13	4.2%
Overall result		309	100%
General work experience	1-3 years	175	56.6%
	Between 4-7 years	54	17.5%
	Between 8-11 years	32	10.4%
	More than 12 years	48	15.5%
Overall result		309	100%
	General education (primary education, basic education, secondary education)	13	4.2%
	Vocational education (technical vocational education, secondary specialized	99	32%

Education level	education, higher specialized education (bachelor's degree))		
	Postgraduate education (internship, - residency , master's degree, doctoral degree, independent study, advanced training and retraining of personnel)	188	60.8%
Missed spaces	Unanswered	9	2.9%
Overall result		309	100%
Respondent's age	Under 18 years old	2	0.6%
	Between the ages of 19-25	151	48.9%
	Between the ages of 26-35	99	32%
	Between the ages of 36-50	35	11.3%
	Over 51 years old	8	2.6%
Missed spaces	Unanswered	14	4.5%
Overall result		309	100%
Respondent gender	Male	110	35.6%
	Woman	184	59.5%
Missed spaces	Unanswered	15	4.9%
Overall result		309	100%
Respondent's marital status	Married	100	32.4%
	Single	192	62.1%
Missed spaces	Unanswered	17	5.5%
Overall result		309	100%

Source: Compiled by the author

Before the evaluation, Simple and Complex Regression Tests were performed on the data obtained from the questionnaire survey . In order to determine the factors affecting the measurement and evaluation of the application of the motivation process in the banking system operating in Azerbaijan, simple and complex regression tests were used in the study and regression equations were added to the study. Simple regression test is a statistical test of the effect of one independent variable and the variables on another dependent variable. analysis method.

Simple regression equation:

$$Y_i = \beta_0 + \beta_1 X_i + \varepsilon_i$$

is a statistical test of the effect of more than one independent variable or variables on another dependent variable.

Complex regression equation:

$$y_i = \alpha + \beta_1 x_{1i} + \beta_2 x_{2i} + \dots + \beta_p x_{pi} + \varepsilon_i$$

As can be seen from Table 1., based on the results obtained based on the “Simple Regression” test, the employee turnover rate showed a statistically significant difference as a factor affecting the measurement and evaluation of the application of the motivation process in the banking system ($p < 0.05$). Therefore, it made a significant difference as a factor affecting the measurement and evaluation of the application of the motivation process in the banking system. At the same time, the results of the analysis show that the employee turnover rate is a factor affecting the measurement and evaluation of the application of the motivation process in the banking system by examining the details and the regression equation is shown below.

6. Improving innovative methods applied in human resources management (on the example of the banking system)

As a result of the analysis, it was found that the employee turnover rate is low in banks that apply innovative management, because the low employee turnover rate in banks has a statistically significant difference with a 95% confidence interval on the process of calculating and evaluating the application of the motivation process in the banking system ($p < 0.05$). Thus, the hypothesis H_1 is confirmed to be correct. Based on this, we can note that if the process of calculating and evaluating the application of the motivation process in the banking system is intended to be implemented, special attention should be paid to the low employee turnover rate and the successful implementation of this policy.

As a result of the study, it was determined that the job satisfaction of employees in banks that apply innovative management is sufficient, because the impact of sufficient job satisfaction of employees on the calculation and evaluation of the application of the motivation process in the banking system was statistically significantly different at the 95% confidence interval ($p < 0.05$). Thus, the validity of the H_2 hypothesis was confirmed. Based on this, we can note that if one intends to implement the process of measuring and calculating the application of the motivation process in the banking system, one must definitely keep the job satisfaction of employees high enough and pay special attention to the successful implementation of this policy.

As a result of the analysis, it was determined that in banks that apply

innovative management, at least one of the motivational factors affects employee motivation, because the impact of at least one of the motivational factors on employee motivation had a 95% impact on the process of calculating and evaluating the application of the motivational process in the banking system, creating a statistically significant difference in the confidence interval ($p < 0.05$). Thus, the validity of the H_3 hypothesis was confirmed. Based on this, we can say that if the banking system wants to implement the process of measuring and evaluating the application of the motivational process, at least one of the motivational factors must be applied in a way that is oriented towards employee motivation, and special attention should be paid to the successful implementation of this policy.

As a result of the analysis, it was found that the work environment in banks that apply innovative management affects the motivation of employees, because the work environment affects the motivation of employees, the calculation and evaluation process of the application of the motivation process in the banking system created a statistically significant difference at a 95% confidence interval ($p < 0.05$). Thus, the hypothesis H_4 was confirmed. Based on this, we can note that if the calculation and evaluation of the application of the motivation process in the banking system is to be realized, it is necessary to make the work environment of employees more comfortable and pay special attention to the successful implementation of this policy.

Table 2. Test of Parent and Derived Hypotheses

Hypothesis	Mother and her co-derived Hypotheses	Reception done	Rejection done
The Mother Hypothesis	Innovative management directions in human resources management determine its constituent elements	√	
H_1	Employees at the enterprise where it operates Meeting expectations from management	√	
H_2	Employee turnover rate for measuring and evaluating the implementation of the motivation process in an enterprise	√	
H_3	The implementation of the motivation process in the enterprise work environment for measurement and evaluation	√	
H_4	Career development as a motivational factor for measuring and evaluating the implementation of the motivation process in an enterprise	√	

Source: Compiled by the author

Theoretical and practical significance of the dissertation.

- The analysis revealed that banks that implement innovative management have lower employee turnover rates, as the impact of low employee turnover rates on the calculation and evaluation of the application of the motivation process in the banking system showed a statistically significant difference at a 95% confidence interval ($p < 0.05$).

- The analysis revealed that employees' job satisfaction is sufficient in banks that implement innovative management, because the impact of employee job satisfaction on the calculation and evaluation of the application of the motivation process in the banking system showed a statistically significant difference at a 95% confidence interval ($p < 0.05$).

- The analysis revealed that at least one of the motivational factors in banks implementing innovative management affects employee motivation, as the impact of at least one of the motivational factors on employee motivation on the calculation and evaluation of the application of the motivation process in the banking system showed a statistically significant difference at a 95% confidence interval ($p < 0.05$).

- The analysis revealed that the work environment in banks implementing innovative management affects employee motivation, as the impact of the work environment on employee motivation on the calculation and evaluation of the application of the motivation process in the banking system showed a statistically significant difference at a 95% confidence interval ($p < 0.05$).

- The analysis revealed that in banks that implement innovative management, employees' expectations from management are fully met, as the impact of fully meeting employees' expectations from management on the calculation and evaluation of the application of the motivation process in the banking system showed a statistically significant difference at a 95% confidence interval ($p < 0.05$).

7. Modern models and key criteria for assessing human capital: competency improvement

Analysis of the currently available methods and approaches to assessing human capital has shown that most of them take into account only investments in this resource, ignoring the profitability of investments

in human capital. Almost everyone has taken into account the impact of the innovative component of the enterprise on the value of human capital. Thus, in the real conditions of economic development, the direct dependence of innovative development on human capital no longer requires proof.

$$I_{IRI} = \sqrt{k_{IRR} * (1 + k_{MIS})} I_{MII} = \sqrt{k_{IRR} * (1 + k_{MIS})} = \sqrt{k_{IRR}} + (1 + k_{MIS})$$

CONCLUSION AND SUGGESTIONS

Motivation is defined as an indicator that activates human behavior to achieve a certain achievement. In the banking sector, the success of an organization is mainly reflected in the hard work of its employees. Therefore, in order to achieve the goals of the organization, employees must be motivated by external and internal factors. The objectives of this study were to investigate the motivations and their variability in the impact on job satisfaction in the public and private sectors. Both qualitative and quantitative analysis were used for the analysis. An in-depth analysis of opinions on job satisfaction, salary, promotion, job recognition as a motivation, and working hours was conducted. The sample size of the quantitative data was 309.

Qualitative data were used to investigate the motivational factors and the main motivational factor among employees, while SPSS 18 and ordinal logistic regression methods were used for quantitative analysis. The results showed that the majority of employees considered job satisfaction as the best motivation among bankers. While age and experience had a significant impact on job satisfaction for civil servants, number of dependents, education level and work distance significantly determined job satisfaction for private sector bankers, indicating that demographic determinants of job satisfaction differed across the banking sector.

According to qualitative analyses, job satisfaction is the most important motivational factor among bankers. Thus, the job satisfaction

and demographic profiles of employees were analyzed. Socio-demographic factors reflect the personal life of the employee and have a great impact on increasing his motivation. If employers identify them, employees will contribute to the growth of the organization by being satisfied with their jobs. Therefore, taking these factors into account opens a direct path to achieving the goals of the organization. The results of the quantitative analysis of this study show that gender, age, education level, number of dependents, workplace and experience distance have significant socio-demographic effects.

The factors affecting the job satisfaction of bank employees and the impact of these socio-demographic determinants vary by banking sector. For example, gender has a significant impact on work in both sectors. In the private sector, male employees are generally satisfied and in the public sector, female employees enjoy their work more than male employees. Therefore, banking organizations should consider socio-demographic factors along with the banking sector while developing recruitment and employee assistance policies. Then, employers in both the public and private sectors will be able to create a supportive environment for employees and will productively achieve organizational goals by effectively utilizing the skills of motivated employees.

The most important motivator for bank employees is fairness in their work. What is fair can vary greatly from person to person, and we think everyone has their own ideas about what is fair and what is unfair.

To compete with technology today, there is a need for predefined leadership criteria across all functional areas of an organization . This helps identify the open competencies (i.e., research, technology, learning, and skills) that need to be developed for the continued development of HR management and company operations.

1. Align business strategies with external and internal factors. For example, consider how your current strategy aligns with economic changes (i.e., external factors) and expectations for higher return on investment in the case of training and development spending (i.e., internal factors).
2. Make sure your talent strategy is also aligned with the overall company plan. The key to managing a disruptive workforce is to align your talent management process strategies with your overall company strategy.

Ultimately, the ability to train, develop, and then retain employees is critical to the success of your business operations.

3. Stay ahead of your competition by being proactive. In my experience, leaders who use best talent management practices find themselves better equipped and able to leverage existing opportunities to help them run their businesses. But this can only be achieved if leadership doesn't just embrace new trends; they must quickly anticipate and adapt to new and emerging talent management opportunities before the rest of the market. In this way, implementing a proactive approach rather than a reactive approach, shows the effects of strategic talent management on business processes to support the development of skills in the organization.
4. Assess what training is important and implement it well. Assessing key areas and training needs is mandatory. It is also helpful in saving on the huge training costs associated with the workforce. Implementing training and development is essential as it affects the incorporation of change management into business processes.
5. Use a variety of tools to assess the capabilities of your workforce. Annual assessments and reviews, if conducted consistently and properly, can be a highly effective tool for analyzing the potential and capabilities of your workforce. That is why I recommend that organizations implement a pay-for-performance culture in their organizations to increase employee productivity. In my view, this can motivate employees to work harder and thus increase their ability to adapt to change and innovation.
6. Companies operating in the Azerbaijani business environment should resort to a number of methods applied worldwide. Analytical and problem-solving skills and teamwork. The competitiveness of an organization largely depends on its ability to turn problems into opportunities.

To implement this policy, we need to educate, motivate, guide our staff, promote internal communication, as well as analyze problems, identify causes, possible solutions, and implement them in the most effective way.

We need to apply methods for. These methods are based on data analysis and teamwork. We can divide other methods in this direction: Herringbone (Ishikawa diagram), Pareto chart, Histograms, Data

collection, Modal Analysis Failure Mode and Effects (FMEA), Proximity diagram, Correlation diagram, "Balance scorecard". First, these applications should be studied in the system, adapted to the company's corporate culture, and adapted.

7. Important concepts The dissertation presents the author's approach to the following:

- The synthesis of the transition from the category of "theoretical methodological foundations of human resources, personnel management" to "Human resources management", the formation of the conceptual foundations of human resources management, modern management models in human resources management and the main directions of their requirements have been identified.

- The current state of the organization of human resources management in business, the organization of modern requirements and application of human resources management, the current state of the organization of motivation systems in human resources were assessed. The data on this area of business organizations, which are the object of research in the dissertation work, were analyzed and summarized. During the analysis, a number of shortcomings were identified. These shortcomings were eliminated. The author gave a number of scientific and methodological recommendations.

- improvement of the application of labor motivation methods in management, assessment of the impact of innovative management methods on labor motivation, reasons for improving labor motivation in the banking system were determined and evaluated through questionnaires. During the evaluation, scientific hypotheses were put forward, those hypotheses were analyzed and their results were compared. As a result of the comparison, the level of confirmation of the hypotheses put forward by the author was determined through analytical tests and appropriate proposals were put forward.

- Innovative methods of human resources are shown.

- An analysis was conducted on the impact of material and moral motivation on work performance.

- Scientific approaches for the effective functioning of human resources have been analyzed.

- A competency measurement model is presented.

The following scientific articles and theses have been published regarding the content of the dissertation:

1. Abdulova, A.A. "İnsan resursları ictimai inkişafın əsas amili kimi" // A.A.Abdulova. Azərbaycan Milli elmlər Akademiyasının "Elmi əsərlər" jurnalı. Bakı: 03 mart 2013-cü il, səh.8-13
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3. Абдулова, А.А. «Влияние информационных технологий на управление кадрами на примере азербайджанских предприятий и банков» // А.А.Абдулова. «НАУКА, ТЕХНОЛОГІЇ, ІННОВАЦІЇ» jurnalı. Ukrayna: 2019, №1; стр. 48-56
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6. Abdulova, A.A. "Impact of information technologies on HR effectiveness:Case of Azerbaijan" // A.A.Abdulova. (IJACSA) International Journal of Advanced Computer Science and Applications; 02 fevral 2020, Şəhərin adı: İngiltərə, №2, səh 81-89

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8. Abdulova, A.A. “İnsan resurslarının kompetensiyalarının şirkətin səmərəliliyinə təsiri: Azərbaycan şirkətləri nümunəsində” // A.A.Abdulova”. Audit jurnalı, Bakı: 2022 N3(37), Səh 115-122.



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