

## Labor Mobility as a Developing Factor of Sustainable Labor Market Development

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**Abstract:** Sustainable development of the modern labor market parametrically has a number of dependencies, among which the labor mobility does not only form the equilibrium, the balance of demand and supply of labor but also determines the determinant of the competence profile of the labor potential of the employee. In the current socio-economic conditions of the labor market development of a competence profile is a crucial component of the innovation market formation of the qualifications with a maximum possibility of maximizing the price of labor through labor mobility. In the course of the study identified and analyzed the development trends of the labor market in the regions of the Russian Federation, the dependence of the density of mobility of labor resources is from the investment image of the region. Researcher's scientifically grounded recommendations and suggestions can be applied by legislative and executive authorities in development of socio-economic projects and programs aimed at sustainable development of the labor market.

**Key words:** Mobility, labor resources, region, sustainable development, competences

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### INTRODUCTION

Labor mobility is a quality characteristic of a competence profile of the labor potential of the employee which determines his actual or potential movement in various spheres and areas of employment in the economy caused by socio-economic reasons for changing place of formal employment. In modern conditions of development of the education system, competence-based approach acts as a tool to enhance systematic evaluation approach to the objectification of labor potential of workers as it is a methodological-analytical-structured formalization of the requirements of the socio-economic system to high quality of labor activity through the recruitment of a set of competencies which are objectively controlled descriptions of integration components of worker's labor potential and his manifestations in social and labor relations in the workplace (Bundy *et al.*, 2013). Competence is objectively-measurable integral characteristic of personality which determines its ability to offer many variants of solving problems and typical problems arising in real-life situations using knowledge, empirical experience, values and inclinations. Researchers in the field of the competence-based approach agree that the difference between a competent professional from a qualified that not only has a certain level of knowledge and skills but the ability to implement and realize them in professional activities. In the context of globalization of economic systems development which include the labor

market a unified approach to the assessment of labor potential through competence-based profile allows you to optimize the density of migration flows with an emphasis on labor mobility (Tretyakova, 2015).

### MATERIALS AND METHODS

Economic-statistical, monographic, settlement and constructive, structural and comparative analysis.

**Main part:** Labor mobility should be regarded as a positive phenomenon, objectively necessary for the sustainable development of the labor market because mobility is based on the competence approach determines the quality of the total labor potential of society, contributing to the balanced development of the labor market and to improve the efficiency of use of labor resources through redeployment (Madden *et al.*, 2012).

Considering the labor market as an economic system, it is necessary to consider that the socio-infrastructure characteristics of a particular site determine the degree of isolation of local labor markets. The level and quality of development of social sphere and engineering infrastructure of the region and territory plays a key role in the development of labor mobility as an essential qualitative characteristic of its market value that verifies the integrity of the basic elements of the labor market prices of labor resources, supply and demand (Khrustalev and Slavyanov, 2014).

**Table 1: The unemployment rate of the population in subjects of the Russian Federation, 2010-2015 (%)**

Federal districts	2010	2011	2012	2013	2014	2015	201-2010 (%)
Russian Federation	7.3	6.5	5.5	5.5	52.0	5.6	76.7
Central Federal District	4.6	4.1	3.1	3.3	3.1	3.5	76.0
North-Western Federal District	5.9	5.1	4.0	4.3	4.1	4.7	79.6
Southern Federal District	7.6	7.0	6.2	6.5	6.2	6.6	86.8
North Caucasian Federal District	16.5	14.5	13.1	13.0	11.2	11.1	67.3
Volga Federal District	7.6	6.5	5.3	4.9	4.5	4.8	63.1
Urals Federal District	8.0	6.8	6.0	5.7	5.8	6.2	77.5
Siberian Federal District	8.7	8.1	7.1	7.2	7.0	7.7	88.5
Far Eastern Federal District	8.6	7.4	6.7	6.5	6.4	6.3	73.3
Crimean Federal District	-	-	-	-	-	7.4	-

In this regard, the qualitative and quantitative characteristics development of the labor market are a consequence of labor mobility through labor migration as well as determine competency requirements and growth conditions of mobility of labor resources which is reflected in the dynamics of the development trends of the labor market (Rerup, 2009).

Causes of unstable and non-equilibrium development of the labor market are not only specific conditions of realization of labor potential of the population for each territorial unit but to a greater degree of macroeconomic through the imperfect regulatory legal base of regulation of social-labor relations. Despite the overall positive dynamics of reduction of unemployment rate in Russia (the number of unemployed from 2010-2015 decreased by 23.3% and amounted to in 2015, 4263.9 thousand people (Table 1). Features of formation, development and functioning of the regional labor market determine the direction and density of mobility of labor resources (increase or decrease), a factor depending on the internal conditions of economic development of the territory and due to various external factors, often quite aggressive (Korovkin, 2013).

It is necessary to consider that the sustainable development of the labor market in the Russian Federation is directly dependent on the demographic processes: the analysis of coefficients of total, natural and migration growth in 2015 showed that in some regions characterized by stable positive dynamics of socio-economic development, the negative trend of population growth compensates positive balance of migration flows.

In view of the uneven passing of stages of regional development in Russia, a differentiated approach is necessary to the development of the labor market through the promotion and positioning of diversification of entrepreneurial activity development on the allocated groups of territories, taking into account not only production and economic conditions but substantially in orientation of perspective program actions on the mental characteristics of the population. As shows the world experience of implementation of programs aimed at providing employment and increasing incomes, the determining factor in the achievement of objectively

monitored indicators is the principle of legality, according to which all variations in the development of forms of employment lie in the development of local industries based on the resource potential of the local territorial units (Bennett, 2014). This fully allows not only to diversify the market and strengthen local business through the implementation of start-up projects with maximum development of local civil initiatives which are formed taking into account the mentality and social culture.

## RESULTS AND DISCUSSION

The most important factor in the development of the labor market is entrepreneurship as a catalyst of innovative development of the region through active participation in the implementation of investment projects of all the participants of the regional economic system. Its role is expressed in the tendency of entrepreneurs to the most effective use production and resource potential of the territory, through the creation of new businesses, increasing employment and living standards of the population, growth of incomes of local budgets which ultimately leads to disparities in regional development. Apart from the problems of entrepreneurship development are unable to address the issues of dynamic development of all spheres of production and social-labor sphere, optimizing the parameters of demand for labor and its supply while labor mobility is observed in those regions with the highest positive dynamics of development of profitable business activities (Table 2).

It is important to understand that the higher the rank of the investment potential of the territory has the greater the density of the external mobility of the labor resources being diverted to these regions. Considering the nature of the formation of attractive investment image of the region in accordance with the principles of the concept of dynamic efficiency based on the system given the changing goals of regional development and aggregate resource potential as a result of entrepreneurial activities, regional economic growth is determined by a variable set of alternatives for the realization of entrepreneurial initiatives with a single regional economic space and the national institutions (Bijl, 2011). The investment potential

**Table 2: Labor mobility in Russia by types of economic activity in 2015 (%)**

Regions of the Russian federation with the highest density of foreign workers	Mining	Construction	Services	Transport and communications	Real estate transaction	Other economic activities
Total	8.7	25.4	11.9	13.7	11.9	28.4
Krasnodar Krai	2.1	38.6	11.5	15.0	3.6	29.2
Saint-Petersburg	0.1	20.4	18.8	18.3	10.9	31.4
Moscow	0.2	22.8	15.1	12.8	17.6	31.5
Moscow region	0.3	31.9	13.5	12.2	11.1	31.1
Tyumen region	45.7	24.9	2.1	11.5	2.9	12.9
Khanty-Mansiyskiy Autonomous District	47.5	24.7	2.8	11.2	3.0	10.7
Yamalo-Nenets Autonomous District	42.8	30.7	0.8	9.5	2.8	13.3
Tyumen Region without other districts	45.7	21.7	2.3	12.9	2.8	14.6

**Table 3: Investment potential of regions of the Central Federal District of the Russian Federation in 2015**

Regions	Share in Russia's total capacity (%)	Ranks of components of investment potential								
		Labor	Consumer	Production	Financial	Institutional	Innovative	Infrastructure	Natural resource	Travel
Belgorod region	1.424	28	27	22	22	25	32	13	4	37
Bryansk region	0.714	42	35	53	38	28	44	18	67	51
Vladimir region	0.845	33	39	41	41	29	31	12	66	17
Voronezh region	1.140	21	18	25	23	23	19	21	51	31
Ivanovo region	0.607	46	55	55	60	50	28	34	79	40
Kaluga region	0.978	45	43	33	40	36	8	10	68	36
Kostroma region	0.401	67	69	59	68	65	60	58	70	44
Kursk region	0.812	37	42	44	42	51	39	9	20	63
Lipetsk region	0.720	43	33	30	37	48	68	15	71	61
Moscow region	6.075	2	2	2	2	3	2	3	49	3
Oryol region	0.503	60	62	62	62	56	61	26	73	67
Ryazan region	0.643	49	47	42	51	45	46	33	55	39
Smolensk region	0.637	44	51	51	57	26	62	27	69	42
Tambov region	0.642	52	46	54	55	60	16	40	62	70
Tver region	0.693	38	36	45	47	40	38	36	59	28
Tula region	0.866	30	30	35	32	32	33	14	64	53
Yaroslavl region	0.783	39	38	40	39	35	24	28	77	18
Moscow	15.318	1	1	1	1	1	1	1	82	1

is combined ability of the regional economy to the implementation of investment projects aimed at meeting the needs of the population, providing innovative development of production and consumption. Analysis of investment potential enables us to predict the direction of movement of investment flows by regions (Table 3).

Evaluation of investment potential of regions of the Central Federal District of Russia in 2015 showed that the share of the district in the national capacity is 33.8% with the greatest investment potential in Moscow, Moscow Region, Belgorod Region and Voronezh Region.

The basic conditions of sustainable economic development of the region are the terms of the general economic growth, i.e., the increase in real output (GDP) based on the dynamic of growth of average productivity in society, aligned with strategic goals of regional development the content of the resource potential of the region, achieving maximum self-sufficiency of the structure of production and patterns of consumption.

Condition and objective evaluation of investment climate are formed not only under the influence of the evaluation of economic processes and phenomena but to a large extent taking into account such factors as

information that is the information received by participants in the investment system with adaptive process control investment (Edinak and Korovkin, 2014). The whole variation of information models of the investment process of regional economy generates a result of the temporary summary of a multivariate model of regional historical development which is defined as investment image. The dynamic development of investment processes is directly linked to steadily and automatically reproducing the correspondence between the investment climate and investment image.

Objective assessment, confirming economic growth in the region are not always a condition of improvement of investment image however, analytical assessment of the investment climate as expressed in the distribution of Russian regions by rating of investment climate determines investment image of regions (Table 4).

According to the rating of investment attractiveness of regions of the Central Federal District of Russia, compiled by the rating Agency RAEX (Expert RA), only Moscow and Moscow Region are characterized as regions with high investment attractiveness of the first level that is with minimal risk of the investment of

Table 4: The distribution of the regions of the Central Federal district of the Russian Federation according to the rating of investment climate in 2012-2015

Variables	Explanation
Belgorod region	Average potential-minimal risk (2A)
Bryansk region	Reduced potential- moderate risk (3B1)
Vladimir region	Reduced potential-moderate risk (3B1)
Voronezh region	Reduced potential-minimal risk (3A1)
Ivanovo region	Reduced potential-moderate risk (3B1)
Kaluga region	Reduced potential-moderate risk (3B1)
Kostroma region	Insignificant potential-moderate risk (3B2)
Kursk region	Reduced potential-moderate risk (3B1)
Lipetsk region	Reduced potential-minimal risk (3A1)
Moscow region	Maximum potential-minimum risk (1A)
Oryol region	Insignificant potential-moderate risk (3B2)
Ryazan region	Reduced potential-moderate risk (3B1)
Smolensk region	Reduced potential-moderate risk (3B1)
Tambov region	Reduced potential-minimal risk (3A1)
Tver region	Reduced potential-moderate risk (3B1)
Tula region	Reduced potential-moderate risk (3B1)
Yaroslavl region	Reduced potential-moderate risk (3B1)
Moscow	Maximum potential-minimum risk (1A)

resources and maximum attraction for migrant workers, Belgorod Region is included into group of regions with high investment attractiveness of the second level, whereas 55.5% of the CFD are characterized as regions of reduced potential and moderate risk for investors.

This regularity allows us to conclude that the efficiency of investments into the regional economy is directly dependent on the system of measures aimed at improving the investment climate which in turn determines the density and quality of mobility of labor resources.

### CONCLUSION

Considering labor mobility as a complex socio-economic phenomenon, reflecting the qualitative characteristics of the competence profile of the labor potential of the employee, determining its actual or potential movement in various spheres and areas of employment in the economy we can identify several negative aspects of labor mobility: dumping on the labor market, reducing wages of workers residing and having a permanent job in the area; increased competition for jobs; the potential growth of unemployment caused by the massive influx of labor migrants; the decline in efficiency and productivity due to low quality characteristics of the competence profile of labor migrants.

Despite the presence of negative aspects, labor mobility has a positive impact on the development of regional labor market: higher employment by reducing labor shortages; positive dynamics of indicators of socio-economic development of the Russian Regions with the highest density of foreign workers; improving the demographic situation.

Overall, labor mobility creates objective preconditions for structural compliance parameters of the

labor demand and supply by type of economic activity in regional, sectoral and occupational segments, not only by developing new and preserving existing jobs in strategically important industries but also creating new profitable jobs in all areas of business. Warning and taking preventive measures to avoid the crisis of the labor market directly depends on the system of measures to promote labor migration are not only the labor force of low skill and to a greater extent for specialists able to work in high-tech industries.

### IMPLEMENTATIONS

The implementation of a competent immigration policy would not only extend countervailing measures for a sustainable labor market but also reduces the cost of goods and services, promotes the growth of receipts in the budget and extra-budgetary funds but also qualitatively modifies the demographic processes in the territory of the Russian Federation.

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