REFERENCES:

1. How the bullwhip effect impacts the supply chain [Electronic resource] // Ohio University, 2020. – Mode of access: https://onlinemasters.ohio.edu/blog/how-the-bullwhip-effect-impacts-the-supply-chain/. – Date of access: 07.03.2020.
2. Building a more resilient ICT supply chain: lessons learned during the COVID-19 pandemic [Electronic resource] // Cybersecurity and infrastructure security agency, 2020. – Mode of access: https://www.cisa.gov/sites/default/files/publications/lessons-learned-during-covid-19-pandemic_508_0.pdf. – Date of access: 09.03.2020.

Alina Kamenets
Science tutor *V. Zazerskaya*
BSTU (Брест)

PERSONNEL RESISTANCE TO CHANGES AND METHODS OF ITS OVERCOMING

The aim of the research is to examine such an obstacle to introduction of new methods in business processes as staff resistance to changes and give possible methods of its overcoming.

Nowadays the application of digital changes in business processes is an integral part for companies, that want to remain competitive in the market. But it should be taken into consideration that digitalization implies not only the implantation of modern equipment or software, but also fundamental changes in approaches to personnel management and corporate culture of the organization.

Quite often employees fear changes due to a number of reasons, as a result of which they pose a resistance or oppose any kind of transformation in the existing ways of work or methods. All these reasons can be classified into the following groups:

- economic reasons – the potential threat of losing sources of income, fear of unemployment and deprivation of various privileges;
- organizational reasons – unwillingness to change the existing system of industrial and personal relations, a reaction to previous unsuccessful experience of changes;
- personal reasons – unwillingness to take on new responsibilities, threat of losing respect in colleagues' opinion, awareness of the incompetence to perceive the new [1].

To overcome these obstacles, Harvard University professors John Cotter and Leonard Schlessinger developed the methodology "Six Ways to Reorganize", which is designed to reduce resistance to change and innovation on the part of plant personnel:

1. Education and Effective Communication. This is one of the commonest techniques for minimizing resistance to change by educating people and promoting awareness through effective communication regarding the benefits of a planned change. By explaining the need for change and the objectives of change, the management can

gain the much-needed support from the team members and facilitate its smoother implementation.

2. Facilitating Participation and Involvement. This technique gives a lot of importance to involving the resistors in the change process by setting up a collaborative environment and implementing the change in consultation with the staff. It is a constructive strategy and can be beneficial in minimizing the resistance to change by involving the employees and seeking their participation in the entire process.

3. Support and Facilitation. The employees look for complete emotional support and facilitation for being able to cope up with the challenges resulting from the change and should be allowed to express their fear, resentment or anger in connection with the change and the challenges of change. This technique is useful when there is resistance towards change from the people due to certain adjustment or adaptability issues.

4. Agreement and Negotiation. This technique involves negotiating or bargaining with the resistors on various aspects related to the change and making tradeoffs so that the concerns of the resistors and the management are both being given due consideration and importance. This technique is effective when it involves exchanging something valuable for reducing the resistance towards the change. This is one of the most convenient techniques for avoiding any kind of major resistance.

5. Co-optation and Manipulation. This technique involves getting the support, persuading or influencing the employees in favor of the change. Manipulation involves covert attempts from the managers by withholding painful information, twisting or distortion of the information for making it more appealing for the staff members or spreading false rumors across the organization in order to compel the employees to accept the change manipulatively. Alternately, the managers can depend on staff polling strategy and make an attempt towards persuading the resistors to join the rest of the group. The management may even co-opt an individual and assign certain important responsibilities in connection with the implementation of change. This technique can be adopted only when the other techniques fail to provide the desired results or are too expensive.

6. Coercion (implicit and explicit). Coercion involves exercising force or threat for making the change accepted and followed by the employees. This strategy emphasizes more on the use of fear by way of direct or indirect threats and involves harassment, bullying or compels the employees to act in accordance with the expected ways or else resign. This strategy is illegal, ineffective and in the long-run, will result in mass resentment, dissatisfaction, high rate of absenteeism, low productivity and ultimately high employee turnover [2].

Understanding the importance of digital transformations by the company’s employees is an important condition for the success of these enterprises. Therefore, the management faces the task of organizing the measures that are necessary for overcoming the resistance on the way to the implementation of various projects.

REFERENCES:
1. ITeam [Electronic resource]. – Mode of access: https://blog.iteam.ru. – Date of access: 10.03.2021.
2. Management Study Guide [Electronic resource]. – Mode of access: https: //www.managementstudyguide.com. – Date of access: 10.03.2021.

Aryna Kibitleuskaya
Science tutor *V. Dzmitryieva*
BSUIR (Minsk)

KHANEMAN'S CONTRIBUTION TO ECONOMIC PSYCHOLOGY

Daniel Kahneman is known in the history of economics as the first psychologist to receive the Nobel Prize in economics and as the creator of a new direction of research in economics – behavioral economics. The first step to elicit behavioral economics was taken in 1979 when the article written by Daniel Kahneman and his colleague Amos Tversky appeared in the prestigious economic journal Econometrics. The objective of this scientific paper is to point out the contribution of Daniel Kahneman to economic theory.

With the help of simple experiments with a lottery to choose from, including a guaranteed outcome and with some probabilities, giving the person the chance to make a decision, both Kahneman and Tversky managed to show that a person takes irrational decisions. In economic theory, the concept of rationality is specific; it diverges from our everyday concept of rationality. This is a set of certain axioms that just postulate how people make a choice: that they know all the alternatives, can rank them, compare them taking into account all the information about each choice, and finally mathematically evaluate the benefits of each option. If this is, for example, an alternative under conditions of risk and uncertainty, then society makes the appropriate calculations that correspond to the theory of probability.

For instance, you can win 400 rubles with a probability of 80%, or win nothing with the remaining 20% of the probability. This is the first alternative, and on the other side of the scale, you have guaranteed outcome of 300 rubles. Within the framework of standard economic theory, a person must estimate the expected gain, multiply the outcomes by the probabilities and get 320 rubles. Compare with another alternative and say that 320 is better than 300 and choose this option. But in life it turns out that people, of course, do not consider such probabilities, they somehow operate it differently in the brain with these numbers, probabilities, outcomes. And as it happened in this example, people choose a guaranteed outcome. This is called the certainty effect, which says that people prefer a guaranteed outcome, even if in principle it allows you to win less than the probabilistic alternative [1, p. 315]. That is, such a bird in the hands is worth two in the bush. From this, it is possible to draw a burning conclusion about the tendency of