Staff Turnover as a Problem of HR Risk

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Keywords: Staff turnover, organization management, HR risks, railway industry.

Abstract: This article discusses the turnover of personnel of the organization as a problem of HR risk. Special attention is paid to the theory of the issue and methods of staff turnover management in various sectors of the national economy. The article analyzes alternative approaches to this phenomenon. Staff turnover is presented as a problem of HR risk in the organization, affecting the safety of management of socio-economic systems. Based on the study of various points of view of domestic and foreign researchers, it has been established that the economic issues of the designated phenomenon have been studied to a greater extent, and to a lesser extent the organizational, managerial and psychological reasons for the dismissal of employees. As a result of increased staff turnover, the costs of attracting new employees and their adaptation are increasing, and HR risks arise in the organization. The author proposed additions to the Target programs: the program of effective induction into office, the program "for linking and retaining employees", the program of social protection of personnel, structural and organizational generation of the personnel reserve. The results can be used by the heads of the railway industry of specific departments and services in connection with a deeper analysis of the issues of staff turnover in the studied industry.

1 INTRODUCTION

According to experts, high staff turnover is a rather acute problem of large Russian companies. Russian Railways JSC, the Sverdlovsk Railway, is no exception. The natural turnover rate is considered to be 3-5%. An increased indicator is usually called a figure above this mark, up to 20%. The purpose of our study is to study the high turnover of personnel in individual divisions of Russian Railways JSC, especially among such a social group as young people who enter and leave before they have worked for a year in the organization, including low-skilled employees of leading professions, to identify the causes of this process, as well as management and regulation of this process in unstable economic conditions, the definition of HR risks of the organization.

As modern scientists note, high staff turnover cannot be approached one-sidedly. This should be understood and analyzed from at least three points of view: based on the economy of the industry, the enterprise and a specific person.

It is impossible to consider high staff turnover as a continuous negative, questions of information ownership about potential turnover allow you to predict the activities of the organization for the long term.

It should be noted that an in-depth approach to the study of the reasons for the dismissal of personnel in various sectors of the national economy affects and determines not only the economic side, but also the organizational and managerial, as well as extremely important psychological aspects of personnel management, which is not always present in socio-economic consideration.

Along with domestic researchers, these issues were studied by foreign authors. Names such as A.Fayol, R.Bennett, W.Harrison, Farrell, Rasbalt, Lee, Fireman, etc. should be mentioned.

For example, Professor R. Bennett of the University of London proposed the following interpretation of a retiring employee, who can be controlled by registration, having information that a new employee will be hired in place of the dismissed one. R. Bennett made calculations of the labor turnover index; characterized the level of turnover in individual departments and groups of employees (Bennett, 2020).

Henri Fayol, a classic of the school of administrative management, wrote that increased

staff turnover is the result of poor management, and low turnover can lead to depression, stagnation.

Another idea of the view on staff turnover was reflected by Harrison (Harrison, 1996). He argued that this is not an event that takes place at any point in time, but a process that takes place over time and contains changes between the employee and the organization (Dickter, 1996).

Rassbult and Farrell (Rassbult, 1981; Farrell, 1983) believed that a low level of loyalty to work is the cause of increased staff turnover.

Such scientists as Lee (Lee, 1994), Fireman (Fireman, 1996) justified their own conceptual theory of staff turnover, where, in our opinion, most of all the employee evaluates his psychological feelings that allow him to leave the organization or stay (Lee, 1996).

The problem of staff turnover was dealt with by many domestic scientists: Odegov Yu.G., Kibanov A.Ya., Shchekin G.V., Zhuravleva P.V., Kartashova L.V., Kozina I.M., Grigorieva I., Filippov A.V., Kondakova A.A., Volkova I.A., Notchenko V.V., Zhukova M.V., Boikova M.A., Bulgakova M.A., Gagarinskaya G.P., et al, the published works summarized the essential causes of staff turnover and the features of overcoming them (Volkova, 2018; Notchenko, 2013; Boikova, 2017; Bulgakova, 2017; Gagarinskaya, 2017).

So, Yu.G. Odegov noticed that the essence of the category "increased staff turnover" may be due to: the *specifics of the industry* (in the field of trade, hotel service staff turnover is higher*); the *status of personnel* (administrative and managerial personnel has a lower turnover than linear*); the *location* of the company geographically (in companies located in small cities, staff turnover is lower than in large cities); employees are more likely to be dismissed with low unemployment. Unstable employment of young people in modern conditions was also noted (Odegov, 2018).

2 MATERIALS AND METHODS

Quantitative indicators are put forward as one of the methods of analyzing staff turnover in our study. We have analyzed these data on the whole for Russian Railways JSC for the last five years, and specifically for one of the divisions – the Tyumen Center for the Organization of the work of railway stations for 2018-2020. We especially note that we are considering not only quantitative data. We also emphasize that staff turnover is rarely considered in relation to HR risks. HR risks in modern conditions are becoming one of the objects of research in the digital economy (Personnel management in the digital environment: a monograph, 2021). Moreover, staff turnover acts as one of the factors of HR risk, where the main role is played by low wages, work schedule, unsatisfactory working conditions, psychological atmosphere in the team (Sahakyan, 2016).

Staff turnover is included by some authors in the personnel security of the enterprise, information threats (Kuznetsova, 2019; Boydalo, 2017; Korolev, 2019; Fursov, 2020).

Turning to statistics, let's consider the percentage of staff turnover of Russian Railways JSC over the past few years. According to the annual reports of Russian Railways JSC in 2020, 723.5 thousand people worked, in 2017 - 755.0 thousand people. The reduction in the number of personnel occurred by 4.2% compared to 2017. The turnover rate has decreased slightly over past 5 years (See Table 1).

Table 1: Indicators of staff turnover of Russian Railways JSC for 2016-2020, in %.

Rates of staff turnover	2016 year	2017 year	2018 year	2019 year	2020 year
As %	7,5	6,7	6,4	6,7	6,2

Compiled by the author: according to Reports on the activities of Russian Railways JSC in the field of sustainable development.2019 p.137; 2020 p.171

Table 2: Indicators of staff turnover, including by position Central Suburban Passenger Company JSC for 2018-2020, in %.

Rates	2018	2019	2020
Total turnover percentage, %	15,2	16,2	11,4
% turnover by position "Cashier-controller"	19,6	20,4	18,9
% turnover by position "Electric locomotive driver"	1,3	1,6	1,9
% turnover by position "Electric locomotive driver's assistant"	3,1	5,6	8,0

Compiled by the author: according to the Annual Report of Central Suburban Passenger Company JSC according to the results of work for 2020. p.27.

The threshold value of staff turnover in accordance with the internal calculation methodology of Russian Railways JSC is set at 8%. Today, this indicator is steadily kept below the threshold. But if we take specific railway divisions, branches, individual professions, regions, the statistics are very different. Thus, in recent years, the turnover of personnel on the Sverdlovsk Railway was 10.1%. In Central Suburban Passenger Company JSC of the Central Federal District, the statistics are as follows:

The turnover threshold is not a static indicator. Thresholds vary by industry and category of personnel. Based on practice, we note that the turnover of unskilled employees (movers, cleaners) can reach 50%.

Staff turnover is influenced by many factors: employee qualifications, education, age, and much more.

3 RESULTS AND DISCUSSION

Among the most significant, in our opinion, and not always systematically studied, are psychological factors. As a rule, they rarely come to the attention of managers. Therefore, firstly, it is necessary to identify important socio-psychological reasons for staff turnover at the enterprise, determining what kind of character they have: objective or subjective. Secondly, as possible reasons for dismissal from the organization, to study and present the methodology for the diagnosis of individual characteristics of the employee. This is carried out at the selection stage:

professional tests, personal questionnaire, motivational questionnaire of RZD, SHL test of RZD. In other words, the dismissal of an employee is determined by the unsuitability of the employee's personal qualities to the nature and content of professional occupations, and this leads to increased personnel turnover.

Turning to the practice of individual railway transport units on the issue of interest to us, and performing an analysis of the movement of personnel and staff turnover in the Tyumen Center for the organization of work of railway stations, a structural subdivision of the Sverdlovsk Directorate of Traffic Management, a branch of Russian Railways JSC for 2018-2020, we observe a staff turnover of 14.58% in 2020 (See. Table 3)

The age group of those who quit voluntarily are young people aged 20 to 30 years who have worked in the organization for about a year (See Table 4.5).

63.89% leave the organization before they have worked for a year; 66.7% are young people aged 20 to 30 years. These statistics are also relevant for other departments of the studied industry.

What is being done to consolidate the personnel in Russian Railways JSC:

- A detailed analysis of the reasons for the outflow of staff in the first year of work is being conducted.
- Analyzes the statistics of retiring personnel by category, especially by age category — up to 35 years.
- On the basis of questionnaires filled out by dismissed employees, statistics are generated for

Table 3: Calculation of staff turnover coefficients in the Tyumen Center for the organization of work of railway stations for 2018-2020.

Key indicators	Years			Absolute deviation		Growth rate, %	
	2018	2019	2020	2019/ 2018	2020/ 2019	2019/ 2018	2020/ 2019
Staff, average number of employees, people.	590	573	569	-17	-4	-2,88	-0,70
Total turnover of the workforce, people.	179	222	159	43	-63	24,02	-28,38
Accepted, ppl.	82	95	76	13	-19	15,85	-20
Dismissed, ppl.	97	127	83	30	-44	30,93	-34,65
including:							
voluntarily	47	108	34	61	-74	129,79	-68,52
retirement	45	19	48	-26	29	-57,78	152,63
violation of labor discipline	2	0	0	-2	0	X	X
service in the Armed Forces	3	0	1	-3	1	X	X
Staff turnover rate, %	16,45	22,18	14,58	5,73	-7,61	34,86	-34,29

Table 4: Number of employees by age, who left voluntarily in the Tyumen Center for the organization of work of railway stations for 2018-2020.

Indicator	2018		2019		2020		Absolute deviation	
							2019/ 2018	2020/ 2019
	person	%	person	%	person	%		
Dismissed at his own request	47	100,00	108	100,00	34	100,00	61	-74
including:								
age from 20 to 30 years	28	59,57	72	66,67	18	52,94	44	-54
age from 30 to 40 years	12	25,53	34	31,48	13	38,24	22	-21
age from 40 to 50 years	6	12,77	2	1,85	3	8,82	-4	1
over 50 years	1	2,13	0	0,00	0	0,00	-1	0

reasons of outflow, Roadmaps and Programs for securing personnel are developed.

In our opinion, Targeted programs related to reducing staff turnover should be supplemented with the following issues:

- carry out a more objective final control by the mentor on the problem of the appointment of an accepted employee; to monitor on an ongoing basis in order to study the potential turnover of personnel in the organization; to perform promotion to the personnel reserve after three years of work in the company; to staff the personnel reserve not only for key specialists, but also for lower-level managers; to reduce staff turnover among employees enrolled in the personnel reserve.

4 CONCLUSION

The conclusions that we came to in the course of our study of the problem.

- When characterizing the turnover of personnel by the personnel management department,

calculate the turnover intensity coefficient on an ongoing basis, which allows you to track stabilization issues in individual divisions and structures of the enterprise.

- Strengthen the study of socio-psychological aspects of staff turnover, using the latest techniques and technologies to analyze these processes of a particular enterprise
- Carry out constant monitoring in the departments of the studied industry, where there is a high turnover of personnel among various categories of personnel.
- Analyze and identify HR risks arising from the dismissal of employees using digital technologies in this activity, paying attention to the information component, material costs provided by the organization.

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Table 5: Number of employees of the Tyumen Center for the organization of work of railway stations by work experience, dismissed at their own request in 2018-2020.

Dismissed employees with work experience	2018		2019		2020	
	person	%	person	%	person	%
up to 1 year	28	59,57	69	63,89	23	67,65
from 1 to 5 years	8	17,02	17	15,74	3	8,82
from 5 to 10 years	7	14,89	4	3,70	2	5,88
from 10 to 15 years	2	4,26	9	8,33	4	11,76
over 15 years	2	4,26	1	0,93	2	5,88
Total	47	100	108	100	34	100

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