Problems and Suggestions on the Loss of Knowledge Workers in Small and Medium-sized Enterprises

Jin-feng YANG¹,a and Jing ZHAO²,b,*

¹,²Shanxi University of Finance and Economics, Shanxi, China

*3058185680@qq.com, b1950953894@qq.com

*correspondence author

Keywords: Knowledge workers, Brain drain, Small and medium-sized enterprises.

Abstract. Under the influence of various factors such as enterprises, individuals and society, the turnover rate of employees has been maintained at a high level, which has brought higher costs to enterprises. In addition, there are many adverse effects such as lowering employee morale, damaging the company's reputation, and hindering the company's long-term sustainable development. Moderate employee turnover is normal, but large-scale employee turnover, especially the loss of qualified personnel, will have a bad impact on the company. Therefore, the brain drain has become more emphasis on SME issues. This article mainly analyzes the reasons for the loss of knowledge-based employees in small and medium-sized enterprises, and proposes corresponding solutions to the problems.

1. Introduction

In the era of knowledge economy, knowledge-based employees have gradually become the core competitiveness of enterprise development and the main support force of society. Only with talents can enterprises have an advantage in fierce competition. The foundation and prerequisite of enterprise development is to allow more and more knowledge workers to stay in the enterprise. Retaining talents has become an extremely important issue in the company's human resource management. The competition for talent is becoming more and more fierce. The flow of appropriate talents is normal, but more and more companies are facing the problem of the resignation of knowledge workers, so that the short-term operation and long-term development of the company will be adversely affected.

As the demand for knowledge workers increases, the flow of knowledge workers has become more common. Various industries are also increasingly concerned about the loss of knowledge workers. The flow of knowledge workers is caused by many reasons. Society, companies, organizations, and individuals will cause knowledge workers in the company to leave. In order to continuously improve the company's influence, companies will attract knowledge workers to join in various ways, which also stimulates the flow of talents more frequently.

This article takes small and medium-sized enterprises as the research object. Study the problem of employee turnover in small and medium-sized enterprises and solutions. Analyze the reasons for the employee turnover problem of small and medium-sized enterprises, and put forward specific solutions. It is conducive to improving employee morale and job satisfaction, and can more effectively reduce employee management costs, which is of great significance to solving the problem of the loss of knowledge-based employees in small and medium-sized enterprises.
2. The Impact of Employee Turnover on the Company

If the employee turnover rate of an enterprise is maintained at a certain level, the advantages outweigh the disadvantages for the company, and it can inject fresh blood into the company, maintain its vitality, and bring a beneficial effect for the company to maintain a strong vitality. However, if the turnover rate of knowledgeable employees in an enterprise is always high, it will inevitably have a negative impact on both internal and external enterprises.

2.1. The Loss of Employees Causes the Leakage of Internal Business Secrets

During the operation of the enterprise, a large number of various information resources will be accumulated. The loss of those in important positions, especially knowledge workers, will lead to a certain degree of leakage of internal business secrets. Even if an internal confidentiality agreement is signed, there are still uncontrollable factors, because the former employee has established a relatively strong relationship with the customer. The employee's resignation will lead to the loss of internal information resources of the company to varying degrees. He may also take away familiar customers together, causing the company to bear certain economic losses and affecting the company's normal operations. The new employees of the company must search for new customers and gain the trust of each other. This has caused some difficulties in maintaining customer relationships and lost part of the source of customers[1].

2.2. The Loss of Knowledge Workers Shakes Organizational Morale

A good corporate image will attract more outstanding employees to join, and both companies and employees can achieve better development. Once the phenomenon of the loss of knowledgeable employees occurs, the employees who stay in the company may also have many other ideas or show some negative work attitudes, which will also infect other employees' emotions and lead to negative sabotage. In addition, after a knowledgeable employee leaves his job, he will also encounter a series of situations, such as fairness issues. At the same time, the phenomenon of employee turnover will make other employees feel that the external talent market will have better job opportunities than they are now, and will make employees with a hint of resignation determined to leave.

2.3. The Loss of Knowledge Workers Increases Business Operating Costs

The loss of knowledge-based employees will inevitably lead to vacancies in the original positions. Therefore, the company will recruit and train new employees from various channels to fill the vacancies, which is bound to incur certain expenses. The recruitment of managerial or technical personnel makes the labor cost of enterprises higher. Employees will also increase business costs before leaving the company. For example, their work efficiency will decrease, which will also bring a lot of losses to the company. Vacancy costs will be incurred before new employees are hired, and temporarily finding employees in other positions to work for them needs to pay overtime.

3. Analysis on the Causes of the Drain of Knowledge Workers in Small and Medium-sized Enterprises

3.1. Enterprise Employment Environment is Characterized by Dynamic and Complex

Everyone will develop towards higher success is all we can understand. If employees encounter better job opportunities or better development platforms than the current ones, whether it is for greater development prospects, higher salaries and benefits, or other reasons, they will choose resignation. In this case, it is difficult for the company to retain employees[2].
In the era of knowledge economy, the demand for knowledge workers continues to grow, and knowledge workers have naturally become resources for competition among major companies. Because of this, the demand for knowledge workers in the labor market has been in short supply. In addition, other competing companies are more willing to offer higher salaries and better benefits to win over knowledge-based employees who have received professional training, rather than to train employees who do not have much work experience.

3.2. Lack of Sense of Belonging Among Employees

Employees' sense of organizational support is not strong. Organizational support is the degree to which employees feel the company's support for them. If employees have a negative sense of organizational support for the company, they will be passive and even spread their emotions to other colleagues. On the contrary, if they have a positive sense of organizational support, employees will generally work more actively. As far as small and medium-sized enterprises are concerned, some departments cannot fully utilize knowledge workers after recruiting them, and the phenomenon of mismatch between job positions is more serious, leading to the resignation of knowledge workers.

Job satisfaction is low. Job satisfaction refers to the degree of positive emotions an employee has about the work he has done and the work-related work status, environment, work challenge and work pressure in the company. Under normal circumstances, employees with low satisfaction always have negative psychological feelings about their work, lack of organization, and are prone to thinking of leaving. According to the survey, knowledge-based employees pay more attention to internal remuneration, which mainly includes the ability to improve and exercise at work, and the space for future career development.

3.3. The Low Level of Employee Retention Management

Business-to-employee ethics training inadequate. The current training in enterprises is generally aimed at improving the work skills of employees, and not paying much attention to the input of ethics and corporate culture. Increasing the loyalty of knowledge workers to the company can strengthen their ethical education, and it is also a way of showing that companies pay more attention to knowledge workers[3].

Performance appraisal standards are not clear enough. In the internal assessment of enterprises, especially in important assessments such as training and promotion, various networks are intertwined, resulting in the fairness of assessments to be considered. Many talented and well-performed people in enterprises have negative emotions because they have worked for a certain number of years but are still not much different from ordinary employees. The accumulation of negative emotions will easily lead to brain drain.

4. Preventive Measures for the Loss of Knowledge-based Employees in Small and Medium-sized Enterprises

4.1. Adapt to the Market Environment and Realize the Common Development of Employees and Enterprises

Companies must adapt to the market environment and adjust their compensation strategy in a timely manner based on the current development of the market. Through research to understand the relevant situation of the same position in other companies, adjust the salary situation of the unit in a
timely manner. Not only to be competitive, but also to achieve the maximum benefit of the company.

Build a growth platform for employees. On the basis of existing jobs, companies can conduct further exchanges with relevant government departments, nearby universities, or units in the same industry to improve their job satisfaction, etc., so as to allow knowledge workers to develop faster.

For career planning for employees, the company can give employees professional guidance. We can invite professionals to help knowledge employees to correctly understand their abilities by summarizing and evaluating the work and life of knowledge employees, including work attitudes and abilities, and employees’ own values.

4.2. Cultivate Professional Interest and Reduce Work Pressure

Enterprises should cultivate employees' professional interest. Improve the professional abilities of employees so that they can continue to accumulate work experience and slowly cultivate interest in work. Gradually increase employees' love for the work they are engaged in, forming a virtuous circle.

Do a good job in stress management. Knowledge workers must first believe that they are competent for the job and that the tasks assigned by the organization are reasonable. Employees should correct their attitudes and take positive actions to improve their ability to withstand stress. It is necessary to adjust the mentality, fully and correctly understand the position and oneself, and be full of work motivation.

4.3. Strengthen Cultural Construction and Improve the Reward and Punishment System

Strengthen the construction of corporate culture. Learning can enhance personal literacy, improve professional ability, broaden knowledge and make oneself more competitive. Learning can also form the ability to think independently and create an atmosphere of joint learning. Set up a study group to input the company's cultural concepts and development prospects into the employees. Increasing the job satisfaction of employees makes it difficult to leave the company and makes both the company and the employees have core competitiveness[4].

Improve the performance management system. Performance appraisal is not only to score according to specific indicators, but also to talk to employees about performance, and pay attention to information feedback after completion. Continuous exchange of information will help the improvement of corporate performance appraisal. When the person in charge of each department receives the result of the performance appraisal of the relevant human department, the result should be fed back to the superior, and the problems in the communication appraisal should be continuously improved. After the information is fed back, the results of this assessment will also be applied in the subsequent management process.

Optimize the salary and welfare system. Compensation includes economic compensation and non-economic compensation. Through internal and external comparative surveys, employee compensation adjustments should be made. It is possible to increase employee’s job satisfaction by increasing benefits and bonuses, or increase performance compensation, combining employee performance with team completion results, and encouraging employees to pay more attention to teamwork.
5. Conclusions

If there is a large loss of knowledge-based employees in small and medium-sized enterprises, the managers of the enterprise must reflect on where there are problems in the organization’s human resource management. It is necessary to understand the current situation of the company's employee management, and then analyze the reasons for the loss of knowledge workers in order to take targeted measures to reduce the loss of knowledge workers in the company.

References

[1] Liu Fadang. Research on the problems and countermeasures of the turnover of knowledge-based employees in small and medium-sized technological enterprises[D]. Xi’an University of Architecture and Technology, 2019.

[2] Qin Feidie. Research on the reasons for the resignation of knowledgeable employees in Company A and their retention plan[D]. Nanjing University of Posts and Telecommunications, 2018.

[3] Zhang Shimian, Sun Xiaogang, Nie Guanlan. Discussion on the loss of knowledge-based employees in small and micro enterprises [J]. Science and Technology Wind, 2019(17): 57-58.

[4] Li Chengpeng. Analysis of the Reasons and Countermeasures of the Brain Drain in my country's Small and Medium-sized Enterprises[J]. Human Resources Development, 2020(13):79-80.