Brain Drain of Small and Medium-sized Enterprises and Countermeasures

Xiao CHENG
Science & Technology of Nanchang Institute, Nanchang, Jiangxi, China
765424544@qq.com

Keywords: Brain Drain, Management, Countermeasure.

Abstract. The twenty-first century is not only an era of knowledge economy growth, but also an era of high quality talent competition, so talent competition is among the world. The paper describes the basic situation of the brain drain, sorts out the basic concept of the loss of talent, and further explores the main causes of brain drain. This study mainly aims at the direction of human resource management, puts forward the transformation from the enterprise culture construction to the management mechanism, as well as the salary management, the performance management and so on.

1. The Concept of Talent and Brain Drain

1.1 Concept of talent

The concept of interpretation: a person’s ability, talents for talented people. For enterprises, talent refers to those who can be employed by the enterprise, suitable for the position of the enterprise, and can contribute to the healthy development of enterprises.

1.2 The concept of brain drain

Brain drain refers to persons belonging to a specific group, organization, geographical expertise or other talented people, who leave their original attachment or service objects, then to the other groups, organizations and regions. In our opinions, the brain drain mainly refers to the subject, because of the competition status, environment, condition, and large difference in strength, which results in the disadvantaged party in a period transfer to the advantage of one-way talent, thus both flow of talent showed uneven and relatively strong inequality. In addition, the brain drain is not equal to the flow of talent. Generally speaking, brain drain will cause great negative impact on enterprises. Therefore, exploring the causes of brain drain and preventing the emergence of the phenomenon of loss is the problem that we should strive to solve.

1.3 Characteristics of brain drain

In recent years, the biggest characteristic of the loss of talent is the phenomenon of core employee collective job-hopping. With the increasingly fierce market competition, enterprises adopt the talent localization strategy in the process of development. At the same time, enterprises are very urgent for talent due to the rapid development. Besides, high quality personnel flow in each enterprise has become a norm because of the lack of human capital and other capital resources. This phenomenon continues to increase, so we have to seriously consider the reasons.

2. Analysis the Causes of Brain Drain

Education and staff turnover are a reverse change. The reason why low degree stuff has high turnover is that the low educated staff has earlier employment time. However, in reality, people who work long hours are more experienced, especially in some small and medium-sized enterprises, if they are dissatisfied with the pay and working environment, they will leave, which directly lead to employee turnover growth.
2.1 External environmental factors

Increasing market competitiveness enhances the level of unemployment. With the continuous development of the economy and the increasing number of science and technology enterprises, thus sometimes resulting in the formation of a number of aspects of competitiveness, and these competitiveness will also affect the flow of employees in some enterprises. When some enterprises compete with each other, they don’t consider the employee’s idea, just for their own business in the industry’s position, because of their competition, sometimes it will lead to some business downsizing or directly facing bankruptcies, which also throw the employees of these enterprises out of work.

2.2 Factors of enterprises themselves—lack of excellent enterprise culture

Excellent corporate culture can make staff have a strong sense of honor, thus they are willing to work extremely hard for the development of enterprises. One of the main reasons for the brain drain of small and medium-sized enterprises is that they are lack of good corporate culture. Firstly, corporate culture and objectives are not perfect. Each enterprise has the standard to reach, even if the internal enterprise’s environment is changing, as long as the enterprise staff can communicate in a timely manner, consistent with the ideas, enhancing the core competitiveness of enterprises, and improving the staff’s enthusiasm for the work, the goal of all employees can make progress together. Secondly, both parties are lack of effective communication between departments and employees. During the development of the enterprise, the enterprise appears the following phenomenon: dropping work efficiency, tedious work procedure, lack coordination condition between the department and the staff, which cause the potentiality of enterprise is awaiting to be excavated.

2.3 Unfair corporate pay

Salary is the problem that every enterprise’s employees are very concerned. It is not only closely linked with each employee, but also related to the survival and sustainable development of an enterprise. Economists usually use salary as an important factor of employee turnover. However, the most effective way for an enterprise to motivate employees is pay. People tend to flow to wages and better treatment of the enterprise. In the same enterprise, higher income enterprises are more stable than the low income enterprises. The key to an employee’s dissatisfaction with salary is that most of them feel their salary is not consistent with their ability. They feel that their income is less than their own pay, thereby affecting their enthusiasm for the work.

2.4 Personal factors of talents—lack of loyalty to the enterprise

There are differences in the internal employees, whether in the ideological or the choice of work. Most of them live in the era of rapid economic development and more prominent concept of personality in the twenty-first century, therefore, employees do not have much trust and loyalty to the enterprise. In addition, employees’ loyalty of different ages and the length of working hours of staff are different. For example, younger employees have no social experience, and they love chasing some good environment which can improve their corporate identity; the older employees, they have working experience, understanding that they have to pay their own efforts can they improve their salary and benefits. At the same time, they also have to raise the family and filial duty, so they need a stable job, thus they have a high degree of loyalty to the enterprise.

2.5 Influence of personal values

In the enterprise, the idea and value among staffs are different, but as an employee of the enterprise, he or she should have the plan for their own future development. However, because of the differences of each employee’s working hours and work experience, some people may be affected by their own values to choose which company to work. For example, some junior staffs may not be very mature in their hearts, so they may be affected by their own values with the choice of work in other enterprises; and there are also some job seniorities with mature heart, their values make them remain work in the original enterprises.
3. Countermeasures of Brain Drain

3.1 External environmental countermeasures

With the rapid development of China’s economy, it has attracted many foreign enterprises, so increasing the demand for talent gradually, plus relatively rich in state-owned enterprises and foreign capital, attracted many people to join these enterprises because they can provide attractive salary. Thus, the survival of small and medium enterprises to survive in the space environment is gradually being squeezed, forcing them to survive only in the middle, can not form a strong attraction for talent. In addition, because of the uneven development of regional economy in our country, the talents in underdeveloped areas are better developed, the foundation is set up, and the salary is higher.

3.2 Perfect countermeasure of enterprise—enterprise culture construction

The construction of enterprise culture can not only help the enterprises to develop well, but also inspire and encourage their employees working attitude, and it is also the bridge among the employees. Sometimes perfect and specific corporate culture is the working place that a lot of science and technology talents would like to go, and it also has great appeal and can help talents in different fields of enterprise, thus help enterprises develop faster.

3.3 Perfect salary and welfare system

At present, in the enterprise, establishing salary and welfare system will also be a way to retain talents. To carry out the compensation plan can increase staff motivation and initiative. When staffs get welfare, they will work harder enough to get benefits next time, which has a great impetus to the development of the small and medium-sized enterprise.

3.4 Establishing perfect talent management mechanism

Establishing good talent management mechanism not only can retain talent, but also can help people better enhance themselves, which help enterprises get a better development. Talent management mechanism needs to be developed from three aspects: first of all, enterprise needs to train staffs in all aspects, then help them grow better and improve their comprehensive abilities. Secondly, improving the existing enterprise performance management: evaluate employees from every aspect, let them know their own advantages and insufficient ones in those aspects, thus enhance their abilities as soon as possible. Finally, using incentive mechanisms stimulate and encourage employees to maximize their own advantages, then employees can work in a positive atmosphere.

Conclusion

After understanding the specific situation of small and medium enterprises brain drain, founding that the situation is serious indeed. Sometimes it is relatively a normal phenomenon for company to reduce staffs, but if personnel costs increase because of the loss of talent turnover, resulting in reducing the quality of work, and influencing other employees’ trust in enterprises, which enable enterprises to increase the difficulty in management and may also affect the normal development of the enterprise. Therefore, talent flow is also playing an important role for the development of enterprises. Enterprises drain has environmental factors, their own factors and personal factors. Enterprises should understand those younger employees’ needs and ideas, change enterprises in all aspects, and get enough talents in the case which does not affect the interests of enterprises, finally it can retain employees.

References

