

Approach to Evaluating Personnel Loyalty in the Context of Streamlining the Company's Human Resources Policy

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Abstract

Background/Objectives: The article investigates the effect of the personnel need satisfaction level on the degree of its loyalty to the company. A completely new dimension in personnel management methodology is developed that facilitates identifying the qualitative levels of the personnel loyalty in accordance with the quantitative levels of satisfaction of the personnel needs in the company. **Methods/Statistical Analysis:** The data for the investigation have been compiled by conducting individual questionnaire survey of 300 respondents. The purposive sampling of the respondents was represented by the employees from twenty large Russian companies. **Findings:** The results of the study made it possible to identify the high, the middle and the low level of the personnel loyalty depending on the level of the need satisfaction in a company. It has been formally determined that the value of the integral indicator of the company personnel need satisfaction lower than 0.52 is a critical level indicating decrease in loyal attitude of the personnel. **Improvements:** Based on the results of the investigation, it was conceptually justified that respecting the priority of the personnel need satisfaction and monitoring the critical level of the personnel loyalty integral indicator is key to improving the human resources policy at the modern stage of organizational development.

Keywords: Human Resources Policy Streamlining, Personnel Loyalty, Personnel Needs, Personnel Management System, Staff Turnover

1. Introduction

Under modern conditions, staff turnover is one of the major problems of the corporate business functioning and development. According to the global forecasts of Hay Group, until 2018 the personnel turnover rate will increase up to 23-24%, i. e. more than 190 million employees will change jobs all over the world. In Russia, the peak value of the personnel turnover rate has been achieved in 2015 and amounted to circa 28%¹. The current state of affairs stipulates poorer security and sustainability in the economic activity of the companies, lower level of

competitiveness, and slower progress in the economic development of the country. The deterrent factor for the staff turnover rate and the prerequisite for any business successful operations are represented by the personnel loyal attitude as a criterion of the effective human resources policy. The staff is the strategic resource of the company, and the loyal employees, in the process of their professional activity, apply the maximum aggregate of their efforts, knowledge and skills to obtain the maximum result within the framework of the company activities.² The high efficiency level of each separate employee reflects the result of his commitment to the objectives

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and values of the company. Employees revealing high level of loyalty announce innovative ideas, are always proactive, value their job, improve labor efficiency, thus ensuring the strategic development of the company and guaranteeing its integrity. This issue becomes most urgent under the conditions of intense competition, when there is a necessity to position the company in the market, to increase the market share, to secure and to strengthen the competitive advantages. Copenhagen school of marketing succeeded in formulating a regular pattern of this process. If the loyalty of the personnel increases by 1, then the loyalty of the clients does so by 1.25³. The conclusions made by the analysts from Towers Watson also confirm the importance of creating the team of loyal specialists in the company. According to the investigation, the operational profit growth in the companies with a high level of personnel loyalty amounted to 27.4 %, while in the companies, where the employees' involvement in the joint activity is completely ignored, this growth amounted only to 9.9 %⁴. Thus, HR policy of the company should be focused on arranging continuous monitoring and identification of the personnel loyalty. Affecting key motivation factors on regular basis, the managers obtain the possibility to streamline the headcount, to decrease the staff turnover rate, to improve the efficiency of the employees and to secure the effective business operation.

All mentioned above interprets the necessity and the urgency of scientific research in the sphere of ensuring and evaluating the personnel loyalty as a criterion of the effective HR policy in the organization.

2. Literature Review

The analysis of economical literature shows that the majority of scientists understand the loyalty of the personnel as the company employees' satisfaction with their jobs, as their continuous involvement in the work flow of the company aimed at achieving maximum result^{5,6}.

The concept of the personnel loyalty is a derivative from the personnel management system of knowledge, founded by F. Taylor⁷. Within the framework of the scientific management concept, this scientist established the basis for the modern management centered upon the distinct division between the functions of the manager and the functions of the employee. Besides, F. Taylor came to an important conclusion that the main reason for poor

efficiency rests with the imperfect system of stimulating the workers⁷.

A considerable contribution to developing the personnel loyalty theory has been made by a disciple of F. Taylor, H. Gantt⁸, whose studies are noted for the assumption that a working person should be given the possibility to find in his work not only the source of living, but the state of satisfaction as well. In 1901, H. Gantt developed the first system of payments for early and high quality execution of the production tasks as a factor of increasing the loyalty of the personnel⁸.

One of Taylor's followers was a famous American scientist H. Emerson (1853-1931)⁹, who developed the line-staff management principle, paying great attention to the personnel, noting the importance of its management.

In the 30-50s of the 20th century in Western countries the human relations school was widely accepted, the development of which resulted in establishing the behavioral approach, the main principle thereof consisting not of cultivating the interpersonal relations or improving the psychological climate in a team, but of increasing the efficiency of a separate employee and the organization as a whole based on behavioral sciences^{10,11}. A considerable scientific contribution to this concept has been made by such scientists as D. McGregor¹², R. Likert¹³ and A. Maslow¹⁴. They studied different aspects of social effects on the personnel loyalty, motivation, character of power and authority, leadership, communications in the organizations, etc. In the 60s, their investigations added to establishing such special managerial function and scientific approach as human resource management, within the framework of which the paradigm of personnel loyalty was formed¹⁵.

In all, the concept of behavioral sciences and the concept of human relations have justified the fact that for an employee the wages are not the only stimulus for high labor productivity and for loyalty.

Generally, contemporary studies in the sphere of achieving the personnel loyalty are dedicated to determining the loyalty motivation factors that would facilitate increasing the involvement of personnel in the activity, thus ensuring the sustainable functioning of the company^{16,17}. Personnel loyalty is treated as interdisciplinary approach of the investigations, undertaken at the interface of several sciences, such as management, psychology, organizational behavior, sociology, culturology^{11,18}. Different forms of personnel

loyalty have been substantiated depending on the source of satisfaction and provision^{19,20}. The most meaningful scientific results in this approach are represented by studies of P. Morrow, who suggested a well-known model, reflecting the interrelation of different kinds (forms) of personnel loyalty in the organization²¹.

The studies on the problems of determining the correlation between the personnel loyalty level and the results of the company economic performance have acquired special significance. Determining and evaluating the level of the company personnel loyalty in terms of rationalizing the motivation process and preventing the excess loyalty is of very much interest^{6,22}. In this area of investigation, the problem of adequate evaluation of subjective characteristics of the personnel loyalty is considered, which, as a rule, lends itself to surveys, testing or interviews with the staff.¹⁶ At the same time, the quantitative measurement of the personnel loyalty level based on the qualitative criteria has not been duly reflected in the scientific studies. Among the scarce approaches to solving the issue of subjective evaluation of personnel loyalty, the approach developed by L.G. Potchebut and V.A. Chiker²⁰ should also be noted. The scientists, basing on Louis Thurstone's²³ equal appearing intervals scale, formulated an approach to determining the quantitative level of the personnel loyalty, giving the possibility to identify the mindsets relative to any objects of social reality, taking into account the changes occurring continuously around us. Meanwhile, this approach enables calculating only the general level of the personnel satisfaction at the company level, which does not provide any sufficient foundation for establishing the effective human resources policy, given the available motivation resources of the company and the priorities of the employees' needs at the present stage. Solving the abovementioned issue has predetermined the scientific priority of this empiric study, namely, formulating the conceptual approach to the quantitative evaluation of personnel loyalty as the foundation for improving the efficiency of the HR policy in the organization.

3. Results

For the purposes of developing the approach to

quantitative evaluation of loyalty to identify the level of the personnel satisfaction, the method of individual questionnaire survey has been applied within the framework of this study. The advantage of social survey is that it gives the possibility to collect the large amount of data and to cover the great number of respondents (employees from different companies), which facilitates generating the analytical database on the level of loyalty.

Based on general literary review, the basic criteria of the personnel loyalty estimation have been identified for using them as the survey questions enabling to formulate the idea of the level of employees' satisfaction with the job in the companies under investigation. The criteria of the personnel loyalty evaluation have been classified in groups according to the source of satisfying the needs of the personnel (Annex 1, Table A1). In the questionnaires, the respondents estimated their satisfaction with the job, in line with each of the suggested criteria, from 0 (the lowest level of satisfaction) up to 10 (the highest level of satisfaction). The data have been aggregated by means of determining the average score for all the interviewed respondents in line with each of the loyalty evaluation criteria.

The respondents were represented by the employees of large Russian companies shown in Table 1.

The requirement to focus on the personnel loyalty assessment in large companies is justified by the fact that in those companies the HR policy, aimed at improving the loyalty, is implemented more intensively, as compared to small businesses. In large companies, the staff motivation conditions are formed with a sufficiently high level of differentiation, which makes it possible to estimate a wider range of the personnel loyalty manifestation forms.

General headcount of employees in the companies under investigation amounted to 50.98 thous. persons, which is quite a significant sampling for processing the data and for drawing the conclusions. For the purposes of reducing the sampling of the respondents, 15 employees have been questioned in each company. The general number of respondents amounted to 300 persons. The sufficiency of the sampling and the possibility to extrapolate the results of the survey to overall sampling of the respondents for each company has been proved statistically based on the Kendall quotient of concordance²⁴:

Table 1. Annex 1

Table A1. Classification of the criteria for the personnel loyalty evaluation in the organization

Loyalty of material incentive	Loyalty of comfortable working environment	Psychological loyalty	Loyalty of intentions	Attitudinal loyalty towards the company
Fringe benefits, rate of remuneration, incentive system, employment reservation, adequacy of the employees' standards or the way of life to the standards or the way of life of the employees in other companies of this sector, insurance at the firm's expense, skill upgrading programs, dinners at the firm's expense, subsidized sanatoria and holiday-homes vouchers	Work load, level of the management professionalism, working conditions, working pattern, social protection, organizational support, feedback relations with the management, sufficient information on the work performed, fulfilling the roles and responsibilities to a high quality is a necessary and sufficient precondition for career growth, continuous managerial control over the employees	Professional commitment, team, psychological support, the manager respects the problems of the employee, the manager respects the inquiries of the employee, correct appraisal of the employee by the manager, enthusiasm for work, the managers and the employees abide by the same rules in the company, clear and accessible information on the parameters and the conditions for determining the amount of wages, just criteria for evaluating the success of the employees in the company, degree of commonality in the interests of the manager and the employees, willingness of the managers to be informed on the problems of the employees in the company, the management does not make decisions objected by the majority of employees in the company, sense of pride in the company	Intention to improve the qualification level to achieve better results for the company, career development, opportunities to realize personal potential, opportunities for personal expression, diversity of professional skills	Intention to work for the company for a long time, willingness to work late, if required, willingness to refuse going on vacation, if required, willingness to go to work on holidays, if required, willingness to help others in order to achieve better results, pro-active participation in team activities, capability to advocate the interests of the company

Table 1. Counts of general sampling from the respondents of the individual questionnaire survey by companies

Index Number	Company	Personnel Headcount
Company 1	JSC Atomproekt	3.4 thous. persons
Company 2	OJSC Rosneft Oil Company	203 thous. persons
Company 3	JSC Katren Research and Production Company	3.1 thous. persons
Company 4	OJSC Metallservice	0.6 thous. persons
Company 5	OJSC Surgutneftegas	118 thous. persons
Company 6	SIA International LTD	1.7 thous. persons
Company 7	SNS Group of Companies	5.9 thous. persons
Company 8	Aston Company	3.6 thous. persons
Company 9	ATEK Group of Companies	0.2 thous. persons
Company 10	TAIF-NK PSC	3.2 thous. persons
Company 11	NefteGazIndustriya LLC	1.2 thous. persons
Company 12	Transoil LLC	1.3 thous. persons
Company 13	Vipservice Holding	1.8 thous. persons
Company 14	Merlion	9.2 thous. persons
Company 15	Alliance Oil Company	7.4 thous. persons
Company 16	Antipinsky Oil Refinery JSC	1.1 thous. persons
Company 17	TNS Energo Group of Companies	7 thous. persons
Company 18	Rusenergosbyt LLC	0.78 thous. persons
Company 19	PJSC Siberia Airlines (S7 Airlines)	2.7 thous. persons
Company 20	Volkswagen Group	4.4 thous. persons

$$W = \frac{12S}{m^2(n^3 - n)} \quad (1)$$

$$S = \sum_{i=1}^n \left(\sum_{j=1}^m R_{ij} \right)^2 - \frac{\sum_{j=1}^m \left(\sum_{i=1}^n R_{ij} \right)^2}{n} \quad (2)$$

m is the number of respondents (the number of employees questioned in each company);

n is the number of factors (the number of criteria for evaluating the personnel loyalty (questions in the questionnaire));

S is the sum of squared rank differences (mean

deviations);

R_{ij} is the ranking score.

According to the method: if $W < 0.2 - 0.4$, then the respondent consistency is weak; if $W > 0.6 - 0.8$, then the respondent consistency is strong.

The results of evaluating the respondent opinion consistency are shown in Table 2.

As the data from the table show, in all companies under investigation, the respondent opinion consistency (W) exceeds the level of 0.6. The results prove that the sampling of 15 employees from each company is a representative sampling for the questionnaire survey.

Table 2. Cumulative evaluation of the respondent opinion consistency relative to the loyalty level in the company

Company	Company 1	Company 2	Company 3	Company 4	Company 5	Company 6	Company 7	Company 8	Company 9	Company 10
Quotient of concordance W	0.72	0.77	0.71	0.82	0.76	0.79	0.88	0.83	0.84	0.75
Company	Company 11	Company 12	Company 13	Company 14	Company 15	Company 16	Company 17	Company 18	Company 19	Company 20
Quotient of concordance W	0.81	0.73	0.86	0.73	0.76	0.77	0.84	0.87	0.81	0.76

Based on average score values of the responds, the taxonomic indicator of the level of employees' satisfaction with their jobs in the company has been calculated by means of determining the distance between actual evaluations (Z_{ij}) and the benchmark evaluation (Z_{0j}):

$$C_{i0} = \sqrt{\sum (Z_{ij} - Z_{0j})^2} \quad (3)$$

$$\bar{C}_0 = \frac{1}{m} \sum C_{i0} \quad (4)$$

$$S_0 = \sqrt{\frac{1}{m} \sum (C_{i0} - \bar{C}_0)^2} \quad (5)$$

$$C_0 = \bar{C}_0 + 2S_0 \quad (6)$$

$$d_i = \frac{c_{i0}}{c_0} \quad (7)$$

$$K_i = 1 - d_i \quad (8)$$

Where C_{i0} is Euclidian distance between average score

evaluations of the loyalty criteria and the benchmark vector;

Z_{ij} is the value of j-indicator at i period;

Z_{0j} is the benchmark value of j-indicator.

\bar{C}_0 is the mean distance between the inquiries;

m is the no of inquiries

S_0 is the mean-square deviation;

C_0 is the maximum possible deviation from the benchmark;

d_i is the indicator of i object distance from the benchmark.

K_i is the integral indicator.

Inasmuch as all questions in the questionnaire are stimulators that positively characterize the personnel loyalty, the benchmark vector is formed by the maximum possible values of the expert evaluations: "10" points for each evaluation criterion (questions in the questionnaire).

The taxonomic indicator is the efficiency indicator and it can take on a value from "0" to "1", where "1" is the highest level of efficiency.

Fibonacci rule has been selected as the methodological

basis for calculating the levels of the personnel loyalty in the sampling of the companies under investigation²⁵. The interval of the integral indicator possible values [0; 1] has been divided in levels based on Fibonacci rule, according to which the data interval is divided as 38.2%:61.8% accordingly shown in Table 3.

Table 3. The personnel loyalty levels in the organization

Loyalty class according to qualitative attribute	Interval of the taxonomic indicator values of the loyalty level (personnel need satisfaction level)
Low level of loyalty	[0; 0.38]
Middle level of loyalty	(0.38; 0.62]
High level of loyalty	(0.62; 1]

The specified intervals of the personnel loyalty quantitative evaluation stipulated the necessity to determine the critical level of the personnel loyalty in the companies under investigation. For this purpose, a following question was included in the questionnaire: Would you recommend your company as a place of employment to your friends, to someone you know? The optional answers to which are “Yes” or “No”.

By means of correlating the qualitative attribute of the personnel loyalty with the value of the calculated integral indicator of the personnel loyalty in each company, the critical level of the taxonomic indicator for the personnel loyalty has been established shown in Table 4.

Table 4. Classifying the value of the taxonomic indicator of the personnel loyalty according to companies and the results of identifying its qualitative attribute

Company	Taxonomic indicator of the personnel loyalty level	Answer to the question: Would you recommend your company as a place of employment to your friends, to someone you know? (Yes/No)
JSC Atomproekt	0.45	No
OJSC Rosneft Oil Company	0.8	Yes
JSC Katren R&P Company	0.42	No
OJSC Metallservis	0.08	No
OJSC Surgutneftgas	0.79	Yes
SIA International LTD	0.41	No
SNS Group of Companies	0.52	Yes
Aston Company	0.16	No
ATEK Group of Companies	0.11	No
TAIF-NK PSC	0.43	No
NefteGazIndustriya LLC	0.4	No
Transoil LLC	0.39	No
Vipsevice Holding	0.23	No
Merlion	0.52	Yes
Alliance Oil Company	0.42	No
Antipinsky Oil Refinery JSC	0.35	No
TNS Energo Group of Companies	0.77	Yes
Rusenergoby LLC	0.37	No
PJSC Siberia Airlines (S7 Airlines)	0.28	No
Volkswagen Group	0.79	Yes

The data from the table can testify to the fact that the critical level of the personnel need satisfaction (loyalty level) is 0.52, because when the value of the integral indicator is less than the specified level, the employees do

not recommend the company to their friends as the place of employment. Inversely, the taxonomic index value higher than 0.52 shows that the company is recommended as the place of employment shown in Figure 1.

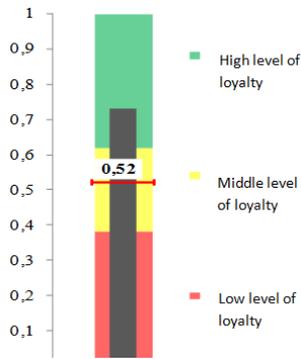


Figure 1. Critical level of the personnel loyalty in the organization..

For the company to effectively implement the HR policy in terms of improving the personnel loyalty, it is advisable to characterize its qualitative levels as well as the quantitative ones. The priorities in satisfying certain types of the personnel needs have been selected as the determining attribute.

For this purpose, the determining groups of the loyalty criteria have been identified for each qualitative level of the evaluation within the framework of this study. To this end, given the calculated personnel loyalty levels, the relevant qualitative level has been assigned to each company under investigation shown in Table 5.

Table 5. Evaluating the qualitative level of the personnel loyalty according to companies

Indicator	Company 1	Company 2	Company 3	Company 4	Company 5
Value of the taxonomic loyalty indicator	0.45	0.80	0.42	0.08	0.79
Qualitative attribute of the loyalty level	Middle	High	Middle	Low	High
Indicator	Company 6	Company 7	Company 8	Company 9	Company 10
Value of the taxonomic loyalty indicator	0.41	0.52	0.16	0.11	0.43
Qualitative attribute of the loyalty level	Middle	Middle	Low	Low	Middle
Indicator	Company 11	Company 12	Company 13	Company 14	Company 15
Value of the taxonomic loyalty indicator	0.40	0.39	0.23	0.52	0.42
Qualitative attribute of the loyalty level	Middle	Middle	Low	Middle	Middle
Indicator	Company 16	Company 17	Company 18	Company 19	Company 20
Value of the taxonomic loyalty indicator	0.35	0.77	0.37	0.28	0.79
Qualitative attribute of the loyalty level	Low	High	Low	Low	High

Determining the qualitative level of loyalty in the company made it possible to classify the values of taxonomic indicators and to calculate the quotient of correlation between the average score of the answers in each loyalty group (x) and the integral indicator of the personnel loyalty in each qualitative level (y):

$$r_{yx} = \frac{\overline{xy} - \overline{x} \cdot \overline{y}}{\sigma_x \cdot \sigma_y}, \tag{9}$$

where \overline{xy} is the mean value of the product of attributes x and y,
 $\overline{x}, \overline{y}$ is the mean value of attributes x and y accordingly,
 σ_x is the mean-square deviation of attribute x,
 σ_y is the mean-square deviation of attribute y.

$$\sigma_x = \sqrt{\frac{\sum(x - \overline{x})^2}{n}}, \sigma_y = \sqrt{\frac{\sum(y - \overline{y})^2}{n}}, \tag{10}$$

The results of the calculations are shown in Table 6.

Table 6. The values of the quotient of correlation between the average score of evaluating the loyalty criteria in each loyalty group and the integral indicator of loyalty in each qualitative level

Loyalty group	Personnel loyalty level		
	Low	Middle	High
Loyalty of material incentive	0.97	0.67	0.61
Loyalty of comfortable working environment	0.92	0.63	0.60
Psychological loyalty	0.41	0.78	0.62
Loyalty of intentions	0.38	0.39	0.78
Attitudinal loyalty towards the company	0.35	0.53	0.77

4. Discussion

Given the results of the empiric investigation, it is safe to maintain that the low level of the personnel loyalty in the company is achieved by means of ensuring satisfaction

of the employees' material needs and by providing comfortable working environment. The significance level of the quotient of correlation of these loyalty groups with the taxonomic indicator of the low level of loyalty is determined by values 0.97 and 0.92 accordingly. Based on the calculated data, it could be noted that in the companies focused on satisfying only this type of the personnel needs the loyalty level will not exceed the value of 0.38. Relying on the value of the critical level of loyalty (0.52) it is possible to state that the employees in these companies do not recommend it as a place of employment to their friends, and, consequently, the working process is characterized by high staff turnover rate and by slow progress of the economic activity.

In the companies, where the priority is given to ensuring job satisfaction at the level of the employees' psychological needs, the human resources policy results in the middle level of loyalty, which is manifested through the meaningful value of the correlation quotient of 0.78. However, at the same time, the material needs and the need for comfortable working environment are satisfied as well; the values of the correlation quotient amounted to 0.67 and 0.63 accordingly. The personnel loyalty level in these companies reaches the maximum value of 0.62. In this regard, it should be noted that these companies are recommended as a place of employment only when the values of the personnel loyalty are within the range of 0.52 to 0.62, whereas the level of loyalty in the range of 0.38 to 0.58 testifies to the contrary. The middle level of efficiency does not ensure high productivity of labor in the company, inasmuch as the indicator of involvement in the working activity is characterized by the low level of significance; the company loyalty criterion equals to 0.53.

The high level of loyalty is observed in the companies, where the human resources policy is focused on satisfying the professional intentions of the employees, simultaneously meeting the material and psychological needs of the staff together with the requirements to the comfortable working environment. The value of the correlation quotient for loyalty of intentions amounts to 0.78. Such criterion of evaluating the loyalty, as the attitude towards the company, is one of the direct indicators of the personnel loyalty level, as the questionnaires in this group included the individual questions that made it possible to estimate the level of the employees' involvement in the working process, which directly represents the essence of loyalty. It can be maintained that the quantitative levels of

the personnel loyalty, identified within the framework of this study, are adequate, because the highest value of the correlation quotient of the loyalty taxonomic indicator for the attitude towards the company criterion with the questionnaire score value of (0.77) falls exactly on the high level of loyalty²⁶.

Thus, the results obtained in this scientific investigation made it possible to identify the priorities in meeting the needs of the employees in the company, which determine the level of the personnel loyalty at this particular stage of the organization development shown in Figure 2.

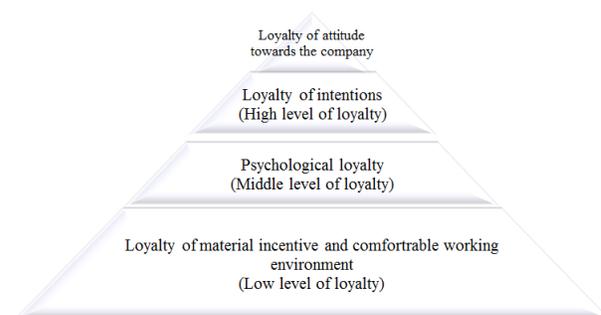


Figure 2. Priorities in the loyalty group formation depending on the level of the achieved loyalty.

The hierarchy of the loyalty group formation helped identifying the vector for streamlining the HR policy. Thus, for the companies, where the loyalty level does not exceed 0.38, the personnel management should be focused on satisfying psychological needs of the employees. The short-term HR policy should be based on improving the quality of relations between the management of the company and the personnel, implementing the principle of just and unambiguous regulations within the company, respecting the opinions of the employees in managerial decision-making, aligning the interests of management and the interests of the employees in the company, etc. Only upon having ensured the psychological loyalty, the management of the company could create the prerequisites for achieving the high level of the personnel loyalty throughout the company.

The fundamental principles for human resources policy in the companies with the loyalty level within the range of [0.38; 0.62], should be focused on ensuring the career development for the employees. The skills upgrading programs should be implemented and the opportunities to generate different qualifications and

competences should be ensured. Such approach will make it possible to achieve the high level of the personnel loyalty, which, in its turn, will make the basis for improving the profitability and the progress of the company.

HR policy in the companies with the high level of loyalty should be focused on promoting the level of psychological and the material incentive loyalty with the employees, on improving the working conditions, on developing the staff potential by providing greater opportunities for the employees' career development.

5. Conclusion

- The results of the empiric investigation enabled the conclusions to be made as follows:
- Under the conditions of the modern trend of the high staff turnover rate, the HR resources policy aimed at improving the personnel loyalty becomes a fundamental factor in securing the stability and the development of economic agents, which stipulates the necessity to evaluate its level systematically and to optimize the directions of its implementation.
- The system of criteria for evaluating the personnel loyalty, formulated within this study, made it possible, by means of individual questionnaire survey with the employees from 20 large Russian companies, to identify the high, the middle and the low levels of the personnel loyalty in the organization in accordance with the quantitative evaluation of the personnel need satisfaction level in the company.
- The qualitative levels of the personnel loyalty became the basis for determining the critical level of the personnel need satisfaction in the organization. It was established that when the value of the taxonomic indicator of the personnel need satisfaction in the organization is lower than 0.52, the company is not recommended as the place of employment and is characterized by high staff turnover rate as well as by decrease in the profitability and economic activity growth rate.
- By means of establishing priorities in supporting the loyalty groups by the source of the personnel need satisfaction in the organization the conceptual directions for streamlining the HR policy of the company have been justified taking into account the relevant level of achieving the personnel loyalty at the present stage of development. It was noted that

in the companies where the loyalty level is low, the fundamental approaches for improving the loyalty level should be focused on ensuring the personnel psychological need satisfaction. In the companies with the middle level of loyalty, the human resource management system should be focused on ensuring the career development of the employees and on achieving the loyalty level that is not lower than the critical level. The vector for HR policy in the organizations with the high level of the personnel loyalty has been determined as the continuous development of the potential for satisfying all existing needs of the personnel.

- The elaborated conceptual approach serves as a basis for improving the methodology of the personnel loyalty evaluation in the organization within the personnel management paradigm. Now, the objectivity in evaluating the level of the personnel need satisfaction in the organization can be achieved. The priorities in formulating and implementing the effective HR policy in the company, as a factor of its sustainable development, can be justly identified.

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