The key risks of interaction between employment services and employers in the labor market and the ways of their localization

Los riesgos clave de interacción entre los servicios de empleo y los empleadores en el mercado laboral y las formas de su localización.

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Abstract
The article discusses the risks in the process of interaction between employment services and the employer in the regional labor market. Risks become barriers to the implementation of employment policy and the formation of effective mechanisms for the development of labor resources. The main problems and contradictions are associated with the creation of legal, economic, institutional and informational conditions. The creation of conditions will contribute to the effective functioning of the labor market, which will bridge the gaps between supply and demand for labor. The main problems can be distinguished by the method of questionnaire sociological survey and in-depth informal interview. Such a survey is conducted based on a representative sample from all over Russia. Based on analysis of the survey results highlighted the main risks of interaction in the labor market, a description and evaluations and the level of risk, risk sharing on the subjects of relations, possible areas of risk containment and mitigation of their consequences. The main conclusion of the work is the provision on
the need to form an integrated risk management system. The integrated system will ensure the main
directions of stable development of the regional labor market.

**Keywords**: risks, employment services, employers, labor market, risk management, sociological
research.

**Resumen**
El artículo analiza los riesgos en el proceso de interacción entre los servicios de empleo y el empleador
en el mercado laboral regional. Los riesgos se convierten en barreras para la implementación de la
política de empleo y la formación de mecanismos efectivos para el desarrollo de los recursos laborales.
Los principales problemas y contradicciones están asociados con la creación de condiciones legales,
económicas, institucionales e informativas. La creación de condiciones contribuirá al funcionamiento
efectivo del mercado laboral, que cerrará las brechas entre la oferta y la demanda de mano de obra. Los
principales problemas se pueden distinguir por el método de encuesta sociológica cuestionario y la
entrevista informal en profundidad. Dicha encuesta se realiza en base a una muestra representativa de
toda Rusia. Con base en el análisis de los resultados de la encuesta, se resaltaron los principales riesgos
de interacción en el mercado laboral, una descripción y evaluaciones y el nivel de riesgo, el riesgo
compartido sobre los temas de las relaciones, las posibles áreas de contención del riesgo y la mitigación
de sus consecuencias. La principal conclusión del trabajo es la disposición sobre la necesidad de formar
un sistema integrado de gestión de riesgos. El sistema integrado garantizará las direcciones principales
del desarrollo estable del mercado laboral regional.

**Palabras clave**: riesgos, servicios de empleo, empleadores, mercado laboral, gestión de riesgos,
investigación sociológica.
Introduction

The development of modern society, as scientists note, is in a state of constant risk associated with various spheres of public life (Bechmann, 2010; Kiseleva et al., 2018; Kards et al., 2019). Risk is becoming a key factor of our time. It carries the adverse consequences of the onset of new events, phenomena and processes leading to a violation of the stability of the functioning and development of social systems and institutions (Tastan & Davoudi, 2017; Vinogradova et al., 2018; Bayanova et al., 2019; Orekhovskaya et al., 2019). All this applies to the labor market, which in modern conditions faces a whole set of new development risks. The study of risks becomes extremely relevant during the transition of the economy to a new technological way of digitalization of society (Ishmuradova et al., 2019).

The uncertainty of the regional labor market with the transition to a digital economy increases the risks of market destabilization and poses new challenges in the process of interaction between employment services and employers (Zaitseva et al., 2018; Kargapolseva et al., 2019). Uncertainty is associated with the emergence of new requirements for the professional training of workers, on the one hand, and the lack of demand for traditional specialties, on the other hand.

Formation of an effective system of interaction between employment services and employers is a complicated process (Reznichenko et al., 2018). The imbalance of interests and positions of the main participants in the labor market is currently a key challenge to sustainable development (Baiabar, Mashkin & Shelengovskiy, 2016; Makarova et al., 2019). Recognition of emerging risks is an important task of interaction in the labor market between employment services and employers. First of all, from the point of view of forming a balanced demand and supply of labor and a more complete realization of the existing labor potential of the region. To increase the stability and balance of the regional labor market, it becomes necessary to identify and remove obstacles that stand in the way of interaction between these main market actors (Masalimova et al., 2019). In this context, an important role should be given to the risk management system. The risk management system is a set of measures, including the identification and characterization of risks, an assessment of the level of probability of their occurrence, as well as the distribution of risks between the main subjects of the emerging relationship. Such a system will mitigate or minimize the negative consequences of the main risks of the interaction between employment services and employers (Markovskaya, 2018; Bochco, 2013; Kvon et al., 2017; Kralik, Lenovsky & Pavlikova, 2018).

The risks of interaction between employment services and employers is a danger or possibility of negative impact of possible events, processes, phenomena on the ability of governmental authorities implementing employment policy of employers to achieve the goals (Panfilova, 2010). Currently, at the regional level, the main risks of interaction may arise in different areas of the relationship between employment services and employers. The main hypotheses of the study were the provisions on the most likely zones of risk. In these areas, the nature of the interaction is not balanced. In particular, provisions were put forward that identified the main risk areas:

- the contradictions in the regulatory framework of interaction;
- the underdevelopment of existing forms and methods of practical interaction;
- the lack of interest and willingness of employers to interact with employment centers;
- the low satisfaction of employers and specialists of employment services;
- the shortcomings in organizational and administrative practice of interaction;
- the imperfect administrative regulations on the organization of interaction between the main actors;
- the weak development of guidelines for the organization of mutually beneficial cooperation and interaction with employers;
- the low level of professionalism of staff of employment centers.

Thus, the risk zone covers traditional and non-traditional forms of interaction, its content and direction. Special attention was paid to identifying the shortcomings of the interaction regulations. The regulations define different forms and ways of relations based on mutual obligations and rights.

The main purpose of this article is to study the risk system of interaction between employment services and employers, to identify the exposure to risks of the regional labor market, to define the system of institutional risks, to give the mechanism of risk management.

Methods

The study uses methods of analysis and sociological survey. The analysis method includes the study of Russian and foreign research experience on the subject of survey. The foreign scientists investigate risk management problems (Beal, 2017; Bechmann, 2010). Study employment system in different countries.

The article uses scientific methods and sociological surveys. The surveys were conducted in September - October 2018 on a nationwide sample using a standardized questionnaire and in-depth informal interviews. The objects of study were employment services specialists and employers (subjects of labor market regulation). To achieve the effect of maximum territorial distribution of the sample, the survey was conducted using electronic questionnaires. Questionnaires were posted on the Internet portal for target audiences. The representativeness of the survey was ensured using selective procedures. The procedures were modeled by the parameters of the general population based on the implementation of the principle of stratification and multi-stage selection.

At the first stage, regions were selected for the survey. The regions represented all Federal districts and types of regional economic clusters. The selection of regions took into account the nature of demand and supply of labor in the regional labor market. In total, 20 subjects of the Russian Federation were selected. At the second stage - specialists of employment services and employers were selected as observation units. A special place was given to employers implementing investment projects. The survey was carried out on an electronic questionnaire based on the use of a clear procedure for monitoring the selection of the respondent. Each selected specialist and employer was sent an e-mail offering to participate in the survey, indicated the address of the site, login and password for registration and authorization. During the survey, the respondent was reminded of the importance of his participation in this survey. In total, during the study on the electronic questionnaire, 1013 specialists of employment services and 200 employers representing 20 Russian Federation regions were interviewed (Vinogradova et al., 2018).

In addition to the electronic survey, 100 in-depth telephone interviews (in some cases face-to-face interviews) with the heads of regional and city employment services were conducted on a standardized questionnaire. The interviews focused on the effectiveness of ways of interaction between employment services and employers implementing investment projects. During the interview, questions were raised aimed at identifying problems, barriers, and risks of entrepreneurial activity. The questions were aimed at identifying the problems of inefficient regulation of the labor market and low efficiency of interaction with employers.

**Results**

The survey identified and measured "problem areas" and barriers, which are the main risk factors for interaction between employment services and employers.

![Graph showing survey results](image-url)
Figure 1. Assessment by experts of the interactions between employment services and employers in the Federal Districts of the Russian Federation

Expert assessments indicate that, in general, the interaction of the employment service with employers has improved (Vinogradova et al., 2018).

![Bar chart showing expert assessments of interactions between employment services and employers.]

Figure 2. Satisfaction with various aspects of interaction with employers

1. Days of employment service in the organization
2. Meetings
3. Round table meeting
4. Industry job fairs
5. Formation of personnel reserve
6. Collection of information on the retention of employees employed with the assistance of the employment service

The specialists of the employment service and employers assess the aspects of interaction at a sufficiently high level. In order to minimize risks in the interactions between employment services and employers in the regions, a number of measures are being implemented (Vinogradova et al., 2018). Their qualitative assessment is presented in figure 3.

![Bar chart showing satisfaction levels for various aspects of interaction.]

Figure 3. Evaluation of the methodology of conducting events by employees of employment services in interaction with employers

1. Providing consulting services to employers, including legal services
2. Establishment and regular support of direct personal contacts with personnel services of all forms of ownership
3. Conducting seminars for personnel services and for employees scheduled to be reduced
4. Establishing direct contact with heads or representatives of personnel services to determine their economic situation and the availability of vacancies
5. Familiarization of the heads or representatives of the personnel services with the package provided by the Employment Center
6. Informing employers about the situation on the labor market and developing a mechanism of actions related to the selection of personnel
7. Conducting a meeting with employers
8. Organization of job fairs, presentations

These estimates reflect the gap in the assessment of the effectiveness of activities by employees of employment services and employers. It is necessary to assess the risks that determine the...
ineffective fulfillment by the parties of their obligations to each other. This may be due to an imbalance of mutual interests or the lack of a clear legal regulation of relations.

**Table 1.** Assessment by specialists of employment services and employers of the main risks in the interaction that negatively affect the stable development of the labor market / assessment is given on a scale of values from 0 (absolutely no risk) to 1 (highest risk)

<table>
<thead>
<tr>
<th>Risk Description</th>
<th>Employment Services Risk Assessment</th>
<th>Employer Risk Assessment</th>
<th>Overall average risk assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inconsistency of the labor potential of clients of employment services with the requirements for vacancies</td>
<td>0.76</td>
<td>0.65</td>
<td>0.70</td>
</tr>
<tr>
<td>Inconsistency of training directions with the demand for labor in certain professions and specialties</td>
<td>0.60</td>
<td>0.63</td>
<td>0.61</td>
</tr>
<tr>
<td>Underdevelopment and inefficiency of forms of training and retraining of employees</td>
<td>0.57</td>
<td>0.61</td>
<td>0.59</td>
</tr>
<tr>
<td>Administrative and organizational barriers that impede the implementation of an effective policy of training, retraining and social adaptation of citizens</td>
<td>0.56</td>
<td>0.59</td>
<td>0.57</td>
</tr>
<tr>
<td>Low professional and qualification potential of employees imposed on the employer by the employment services</td>
<td>0.61</td>
<td>0.61</td>
<td>0.61</td>
</tr>
<tr>
<td>Outdated administrative regulations restricting access to training for professions in demand</td>
<td>0.55</td>
<td>0.60</td>
<td>0.57</td>
</tr>
<tr>
<td>Financial problems of employment centers and the lack of necessary material and technical means for their effective operation</td>
<td>0.61</td>
<td>0.62</td>
<td>0.61</td>
</tr>
<tr>
<td>Imperfection of the normative and methodological foundations of the activity of employment centers</td>
<td>0.54</td>
<td>0.62</td>
<td>0.57</td>
</tr>
<tr>
<td>Low effectiveness of temporary employment programs, professional and social adaptation</td>
<td>0.55</td>
<td>0.63</td>
<td>0.59</td>
</tr>
<tr>
<td>The presence of personnel problems in employment centers, the shortage of necessary specialists</td>
<td>0.56</td>
<td>0.66</td>
<td>0.61</td>
</tr>
<tr>
<td>Inconsistency of the legal foundations of activity with modern tasks and challenges</td>
<td>0.58</td>
<td>0.67</td>
<td>0.62</td>
</tr>
<tr>
<td>High structural imbalance in supply and demand of labor</td>
<td>0.69</td>
<td>0.66</td>
<td>0.67</td>
</tr>
<tr>
<td>Lack of clear guidelines for the selection of areas for training and retraining</td>
<td>0.54</td>
<td>0.64</td>
<td>0.59</td>
</tr>
<tr>
<td>The discrepancy of standards of number of programs to real needs of the employer</td>
<td>0.61</td>
<td>0.61</td>
<td>0.61</td>
</tr>
<tr>
<td>Selection of inefficient educational institutions providing vocational training and retraining of necessary personnel for employers</td>
<td>0.52</td>
<td>0.62</td>
<td>0.57</td>
</tr>
<tr>
<td>Complex bureaucratic procedures for conducting competitive selection of retraining and training organizations for the necessary personnel for employers</td>
<td>0.61</td>
<td>0.61</td>
<td>0.61</td>
</tr>
<tr>
<td>Lack of resources for analyzing the labor market and understanding which professions are most in demand</td>
<td>0.54</td>
<td>0.63</td>
<td>0.58</td>
</tr>
<tr>
<td>Low standards of financing the cost of training and retraining</td>
<td>0.60</td>
<td>0.64</td>
<td>0.62</td>
</tr>
<tr>
<td>Coercion of employers by employment services to take unnecessary personnel in order to reduce social tension in the labor market</td>
<td>0.47</td>
<td>0.58</td>
<td>0.53</td>
</tr>
</tbody>
</table>

The interview identified a range of problem areas that pose serious risks for effective interaction between employment services and employers (Vinogradova et al., 2019). The first problem area is associated with the failure to comply with Article 25, paragraph 3 of the Federal Law “On Employment in the Russian
employment service on the availability of jobs and vacant posts, as well as other necessary information. Interviewed heads of employment centers in 20 constituent entities of the Russian Federation draw attention to the lack of effective administrative, legal, control, supervisory and economic levers of influence on dishonest employers who shy away from providing the necessary information. This is especially true for small and medium-sized enterprises, as well as individual entrepreneurs.

The second problem area is associated with the organizational and legal status of employment centers, limiting their powers and decision-making functions in the territories of the constituent entities of the Russian Federation. In fact, employment centers have no legal leverage. Legal levers provide an opportunity to influence the territorial policy in employment, to reform the directions, content, forms and methods of work with employers and job seekers, as well as with other territorial authorities and management.

The third problem area is associated with the insufficiency and limitation of material and financial resources of employment centers in many subjects of the Russian Federation. The shortage of resources of employment centers seriously undermines the system of work. It prevents the further development and increase the efficiency of cooperation with employers at the regional labor market.

The fourth problem area is associated with the growth of paper and digital workflow. The growth of document flow negatively affects the decision of employers to select the necessary employees through employment services. The growth of document flow has the most negative impact on medium and small firms and individual entrepreneurs. According to experts interviewed employment center managers, many employers find it easier to search employees bypassing the official approval and employment procedures. The price of non-compliance with the law is much lower than the price of compliance. Therefore, for many in the area of care "gray economy" is the most preferred model of entrepreneurial behavior. It is easier for employers to minimize taxes and issue wages informally in envelopes.

The fifth problem area is due to the weak scientific, methodological and organizational basis of the work of employment service to increase the efficiency of interaction with employers. This is primarily due to the lack of reliable information about the current staffing needs of the economy and the prospective number and composition of professional staff. Serious risks of interaction are also associated with the lack of a unified system of indicators. The system of indicators should assess the needs of the region’s economy in innovative personnel, taking into account the direction of modernization of economic areas of activity.

The sixth problem area is caused by escalating competition in the labor market between employment centers and Internet recruitment companies developing their business in many regions of Russia. For employers and job seekers, these companies provide a set of available operational tools for successful search, exchange and interaction. Therefore, employers are often posted by jobs on other portals, before declare vacancies in employment agencies. Employment and population services lose out to recruiting companies in the field of placement and promotion of free services, in the field of informing employers and the public about the priority goals, contents, directions, forms and methods of work. The employment services are inferior to competitors in image, recognition and fame.

The seventh problem area is due to the high staff turnover in employment centers. Many managers of employment centers are unhappy about the lack of a flexible and effective incentive system. They are concerned about the low wages of employees, unified wage system.

The eighth problem area is associated with the difficulties of targeting (setting targets) the activities of employment centers turned to address the interaction with the employers in selection of necessary workers from among the disabled and other groups with privileges in terms of employment.

Discussion

In order to increase the effectiveness of interaction between specialists of employment services and employers, it is advisable to create a risk management system. The risk management system should be a set of measures including risk description, risk assessment, risk allocation on the subjects of relations, development and implementation of key areas to minimize negative risk consequences. The current situation is characterized by a high level of risk and low efficiency of the interaction results, low efficiency of implementation of activity goals. Despite the fact that both sides of the relationship suffer from uncertainty and the results of the interaction, nevertheless, the distribution of risks is uneven. Employers are more exposed to risks:

- personnel risks;
- legislative risks;
- organizational and managerial risks;
- information and research risks.

The study shows that, first of all, in order to
minimize risks and increase the efficiency of interaction on the labor market, employment centers and employers need to establish partnerships, equal and mutually beneficial relations. Therefore, attention should be paid to the problems facing employers. These problems determine their attitude of employers to cooperation with employment centers. Therefore, in order to minimize emerging risks, it is necessary to pay attention to a set of measures.

**In terms of localization of personnel risks associated with the training of employees:**
- selection of effective educational institutions providing vocational training and retraining for employers;
- overcoming the shortage of specialists in employment centers, solving personnel problems by improving labor incentives;
- improvement and development of forms of training and retraining of employees, increasing efficiency and training courses.
- **In terms of localization of legislative and regulatory risks:**
- bringing into compliance with the legal foundations of the activities of the modern challenges and challenges of innovation and the digital economy;
- improvement of the normative and methodological foundations of the activity of employment centers.

**In terms of localization of organizational and managerial risks:**
- improving the effectiveness and programs of temporary employment, professional and social adaptation of workers;
- taking into account the needs of employers from the employment services in the formation of a package of proposals for filling vacancies, targeted selection of personnel that meet the requirements and competencies.

**In terms of localization of information, research and methodological risks:**
- analysis and strategic forecast of the labor market in order to understand the current and future demand for professions and specialties;
- development of guidelines for the selection of popular areas for training and retraining.

These measures will reduce the risk consequences for employers, balance interaction with employment services.

To minimize risks for specialists of employment services in the course of their interaction with employers, as shown by the results of an in-depth interview with the heads of employment centers, a set of actions is required:
- strengthening administrative, legal, supervisory and economic levers of influence on unscrupulous employers, legal entities and individual entrepreneurs who evade the implementation of the law on providing employment centers with the necessary information;
- increasing the responsibility of employers for the procedure for providing information about vacancies to the employment service; the introduction of the prohibition for employers to post vacancies on other portals before applying for vacancies in the employment service;
- expansion of the rights of employment centers in the regions, giving the opportunity to significantly influence the territorial policy in the field of employment, reforming methods of working with employers and job seekers;
- improving of scientific and methodological work of employment centers, development of a unified methodological approach and a comprehensive system of indicators in statistical reporting; the system will allow to assess the needs of the regional economy in personnel;
- development of methods for analyzing the needs of the region in innovative personnel;
- providing reliable information about the current staffing needs of the economy and the prospective number and composition of professional personnel;
- implementation of innovative scientific and methodological developments integrated and tested at the Federal level in the work of territorial employment centers;
- regular referral for training and professional development of specialists and managers of employment centers in other regions of the country, which have accumulated experience of interaction with employers;
- an increase of financing of educational programs of professional development and retraining, and also actions of an exchange of the advanced experience of work of employment centers of the population in other regions;
- the introduction of a flexible incentive system for employees of the employment service.

The study showed that the set of risks faced by employers and employment services in the process of their interaction in the labor market, requires a change in the model of their interaction. Currently, it is not possible to fully realize the interest in stabilizing the labor market and its development according to the innovative scenario. Today, traditional approaches no longer provide solutions to modern problems. Risk reduction in the process of developing interaction between employers and employment services is seen in increasing the role of employment services in the strategic planning of labor market development, based on capabilities and resources of the regional complex. This cannot be done without the transfer of additional resources from the federal structures to regional and territorial employment services To implement the new powers, a thorough analysis of
the prospects for the development of the labor market is necessary. The analysis will allow on the basis of a clear vision of the economic situation in the region, demand and supply of labor, taking into account the ongoing migration processes, to reach a long-term forecast of demanded specialties.

Conclusions

Currently, despite the reform and further regionalization of employment services, the emergence of new forms, methods, principles of relations between employment services and employers, there are serious risks associated with the inefficiency of their interaction in the regional labor market. Moreover, in the case of a transition to a new technological structure, these risks will increase and will become frightening for the stable development of the labor market and employment. To undertake joint action on accelerated learning new skills, taking into account the existing demand while not yet able and create necessary conditions to minimize personnel risks. The resources allocated for this and the measures taken have not yet met the risks. Under these conditions, the definition, characteristics, assessment of risks of interaction of employment services with employers is of particular importance. This will help to minimize risks and increase the efficiency of their interaction and solving common problems in the labor market.

The main goal that the study was to identify the main risk areas where serious failures are possible, barriers and obstacles to the development of effective interaction. The main hypotheses were put forward, which revealed the possible risks of interaction. In the course of the analysis of the research results, most of the hypotheses were confirmed.

Thus, risk zone covers traditional and non-traditional forms of interaction. The mechanism of interaction should be based on regulations. The regulations define different forms and ways of relations in order to replace them with a new social structure. The new social construction will regulate the interaction, which more fully meets the new conditions of development.

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