The paper discusses the assessment of precarious employment relations as one of the systemic factors of social pollution. The social pollution phenomenon in employment relations is caused by employers who use a strategy for the reduction of labour costs and toxic practices of human resource management. This paper presents the intermediate outcomes of a longitudinal study based on the methods of survey, involving workers of Russian companies in different sectors of economy. In 2014, authors conducted a pilot study in order to test the methodological tools for assessing social pollution in employment relations, which included assessing the degree of precarization. This pilot study also allowed the authors to verify the hypotheses of their research and to improve the tools for further application in the survey which was conducted in 2015 among the staff members of enterprises in the Sverdlovsk region. Thus, the authors have managed to identify the precarization-related toxic elements of employment relations in these enterprises, which damaged the physical health and psychosocial well-being of the employees. This study has also brought to light a number of current trends in the employment relations in the region. Although the research results are somewhat limited due to the fact that such observations should be made repeatedly over a long period of time, intermediary conclusions might also be of interest and could be used to search for ways of dealing with problems caused by the growing precarization on the level of individual enterprises as well as on the level of the whole region.

Keywords: social pollution, precarization of employment, employment relations, precariat, toxic practices of human resource management, health at work, employees' wellbeing, toxic working environment, toxic leadership, toxic workplace

Introduction

The global economic recession negatively affects dynamic processes in the employment sphere of all developed countries. Precarious employment relations and toxic personnel management practices are spreading because owners and top executives of enterprises seek to minimize labour costs, which increases the percentage of poorly paid and socially insecure workers. We believe that this phenomenon is connected to the concept of social pollution caused by economic activities of business entities. Precarious relations are detrimental not only to employees of specific enterprises, to their health and wellbeing, but also to the wellbeing of the whole society. Nevertheless, there is currently no consistent state control over precarization in employment relations or related issues.

This problem is particularly important for Ural as a key industrial region of Russia with a large number of active enterprises operating in different sectors of economy. Our research on social pollution will bring to light specific problems which Ural region faces in its economic and social development and can provide guidelines for formulating a state regulation policy to deal with precarization of employment relations.

Specialization and global division of labour have engendered new forms of employment; flexible and decentralized employment relations; and temporary and remote staffing solutions. All this has made the working population feel more and more insecure, both economically and socially. In Russia, a new unique system of employment relations emerged after the country’s transition to the market economy. This system was more flexible because it was based on personal informal relationships and it soon came to be perceived as normal: verbal employment contracts, flexible working hours and the unregulated working day became socially acceptable [1]. A growing number of workers struggle financially and feel vulnerable and uncertain about their future because of the toxic HR practices used in their companies, precarious employment relations and other modern realia. Therefore, it is essential to study toxic employment relations and to search for ways of enhancing the legal security of workers.

Theoretical Framework

Our research relies on the theoretical triangulation principle, which implies various theoretical approaches applied to data interpretation. Our analysis of international sources has shown that transformations in employment relations and their characteristics attract a lot of scholarly attention: for example, a large number of studies are devoted to the deteriorating quality of work environment. The concept of toxic workplace was introduced at the end of the twentieth century and referred not only to harmful working conditions but also to negative social and psychological aspects of working environment [2–3]. Such terms as ‘toxic leadership’ [4–5; 6, p. 96–106; 7; 8, p. 29–36] and ‘toxic personnel’ [10; 11, p. 285–301; 12] have also come into common usage. A large part of modern research focuses on workplace stress [13; 14, p. 89–97; 15, p. 93–110; 16, p. 82–87] caused by toxic working environment, which, in its turn, is related to toxic workplaces, toxic management and toxic personnel and, above all, to toxic HR practices [17, p. 46–51; 18].

Russian scholars concentrated their efforts on studying the processes of employment precarization [19; 20, p. 3–15; 21, p. 22–29; 22]. In Russia, the problem of precarization stemmed from the country’s transition to the market economy, therefore many Russian researchers tried to describe this phenomenon through the international concepts of precarious employment, precarity, precarious work [23, p. 427–448; 24, p. 271–288; 25, p. 72–76] and precariat or the precarialized working class [26, p. 588–628; 27, p. 963–980]. Precarization means that employment and working conditions are becoming less secure while salaries are getting lower. The term ‘precarity’ refers to a complex of negative working conditions contributing to the deteriorating quality of workers’ lives. The term ‘precarious work’ is used to denote non-standard and unstable forms of employment. Workers engaged in precarious employment form a social stratum called the ‘precariat’.

Although a lot of researchers explore the above-described problems, they all focus only on separate aspects of the large-scale phenomenon which Pfeffer referred to as social pollution [28, p. 34–45]. We share his point of view and consider precarization of employment relations and toxic work environment as systemic factors contributing to social pollution [29, p. 839–846; 30, p. 78–82]. We believe that we need to apply the comprehensive approach to reveal modern conflicts between employers and employees and demonstrate causal relationships between the management practices applied at specific enterprises and their staff’s physical health and psychosocial wellbeing.

Methodological Framework

Our research was conducted in several consecutive stages, which included building a sufficient theoretical framework and collecting empirical data. The results of our theoretical analysis provided a methodological basis for further research. We surveyed a random sample of employees from different enterprises and different staff categories. The survey has proven our hypothesis about the negative trends in the employment sphere. We have also found specific forms of employment relations which were detrimental to the employees.

The pilot study was conducted in 2013. At this initial stage of our project, we applied the method of structured interview: we interviewed managers and HR specialists of different organizations. These interviews were targeted at verifying our hypotheses; finding problem areas in the ‘employee—organization’ relationship and identifying the most significant variables for further development of our methodology. We used the modified questionnaires at the next stage in 2014.

To meet the targets of this stage we used two versions of the questionnaire: the first studies the impact of toxic HR practices on psychosocial wellbeing of workers while the second is focused on the impact of economic activities of enterprises on their workers’ health. The questionnaires comprise partially open and closed (dichotomous, multiple-choice and scaled) questions. The first group of questions can be subdivided into questions measuring physical and psychosocial wellbeing of employees, their satisfaction with their workplace and questions identifying the key factors which affect the wellbeing of employees. The second group of questions corresponds to the four types of social pollution. These questions bring to light the most significant factors which influence the physical and psychosocial wellbeing of employees. The second questionnaire focuses respondents’ attention on any changes in their physical and mental health which they observed during their work at the current enterprise.

The survey results have shown new aspects of the problem to be studied in more detail at the project’s third stage in 2015. Therefore, we developed a new universal questionnaire ‘Monitoring for Changes in Employment Relations’, which is suitable not only for Russia but for any other country.
At this stage of the project, we applied the universal questionnaire and the quota sampling method to survey the working population of Ekaterinburg and towns of Sverdlovsk region. The sampling ($n = 210$) had two basic characteristics: the gender and personnel categories. Thus, it comprised 50.7% of men and 49.3% of women. The structure of the sample in terms of personnel categories is the following: specialists make up 36.7%; manual workers, 31.4%; middle management, 15.0%; line staff, 14.5%; top executives, 2.4%. The sample structure according to the economic sectors is the following: 30%, the service sector; 22.7%, energy and natural resources; 18.8%, production; 15%, trade; 7.2%, real estate and construction; 6.3%, financial institutions and government agencies.

All factors determining this or that type of activity can be divided into objective and subjective. Therefore, objective factors of precarious employment relations include the following: 1) employment relations; 2) duration of employment; 3) remuneration; 4) the organization's personnel policy; 5) breach of the employment contract by the employer; 6) the employee's category; 7) the organization’s economic sector; and 8) the employee's gender. Objective factors are also external since they do not depend on the employee's needs, requirements or opinions. Objective factors include social and demographic characteristics, which play a considerable role in most social phenomena and processes. Subjective factors of precarious employment relations include the following: 1) the employee's declining wellbeing; 2) anxiety and other negative emotions the employee experiences at work; 3) feeling insecure about their future in this company; and 4) the need to perform additional functions besides their regular duties in order to retain their jobs.

**Results**

Modern employers have a wide range of ways to establish employment relations with their employees. Some of these forms impinge upon employees' rights and thus turn into objective factors of precarization.

Respondents' answers to the question about the forms of their relations with the employer show that in the given sectors of economy the vast majority of workers have employment contracts at their primary place of employment (this number varies from 70.8% in the service sector to 93.6% in the energy sector). Some respondents, however, have not signed employment contracts. For example, in the service sphere every fifth respondent works on the basis of a verbal agreement (18.5%); in production, such workers account for 7.7%. Furthermore, every tenth worker in trade has a contract for secondary employment (9.7%). In financial institutions and construction companies, such workers account for 7.1% and 6.7% respectively. The share of respondents with contractor agreements is insignificant, only 3.1%, and all of them belong to the service sector.

We believe that paid services agreements (contractor agreements), secondary employment contracts and verbal agreements are precarious forms of employment relationships. Respondents who do not sign a written employment contract with their employers are usually manual workers: they account for 9.1% of all workers employed on the basis of verbal agreement. The number of such workers hovers around 6.5% in such categories as specialists, operational staff and middle managers. 5.3% of the surveyed specialists and 3.2% of the line staff have second jobs.

Workers place a high priority on the term of their employment contracts. A long-term contract makes them feel more secure and on the contrary, short-term contracts, more vulnerable. Distribution of answers to the question about the terms of the respondents' employment contracts has demonstrated that four- or five-year contracts are most frequently found in such sectors as trade, services and construction (6.5%, 4.7% and 6.7% respectively). Three-year contracts are most typical of production, energy and finance (2.6%, 4.3% and 14.3% respectively). Respondents who signed two-year contracts accounted for 6.7% in the construction sphere and 1.6% in the service sector have six-month employment contracts.

Our questionnaire also included a question about the changes in the personnel management policies of respondents' organizations in the last year (Fig. 1). Many respondents (59%) pointed out that there were no significant changes. One fifth of the respondents (18.6%), however, wrote that in their organizations new staff members were employed only on a short-term basis (from one to six months). Over a third of the respondents (32.6%) highlighted changes related to staff layoffs and outstaffing. In the production sphere and in the sphere of energy and natural resources there is a clearly defined trend of making employees redundant every three to six months (17.9% and 10.6%)
respectively). According to employees of financial institutions, their companies were engaged in mass layoffs (28.6%); in trade, outstaffing (16.1%); in the service sphere, the companies used contingent and (or) seasonal workers outsourced from other companies (14.1%); in construction the fifth part of all the respondents pointed out outsourcing-related redundancies (20%).

When employers violate contractual obligations, it makes their workers feel extremely insecure. Almost a third of all the respondents (28.5%) stated that their employers broke their contractual obligations. Such violations were faced by 21.4% to 38.5% of workers depending on the economic sector. Violations occur most frequently in the production and service sphere (38.5% and 29.2% respectively). Every fifth worker in the trade or banking sphere has encountered such situations (22.6% and 21.4% respectively). Furthermore, it was found that employers and top executives tend to break contractual obligations most often (50%). This fact is confirmed by a third of the manual workers and a fifth of the line staff members (19.8%).

The majority of employees pointed out that their workload has increased without a corresponding increase in pay (the highest percentage of such violations was found in the service sphere, 55.6%); that they were not paid for doing extra work (66.7% in the sphere of investment and finance); and that they were not paid the remuneration they had been promised (46.2% in the sphere of energy and natural resources) (Fig.2). Thus, it can be concluded that it is the financial obligations that employers tend to break most often. The discrepancy between the labour input and the (promised) remuneration of workers is a direct infringement of their rights.

Salary payments are delayed most often in the production industry (20%), service sphere (16.7%), and the sphere of energy and natural resources (7.7%). Wrongful dismissal is most often faced by employees working in finance (53.5%) but also by those in production, trade and in the service sector. The most typical examples of violations were increasing the workload with no increase in pay (57.1%) and non-payment of remuneration (33.3%). The categories of employees who suffer most from unpaid extra working hours are middle managers (50%) and specialists (42.9%). Moreover, over a third of line managers complained about the unjustified salary reductions and difficulties with taking their annual leave (37.5%). Top executives are most subject to wrongful dismissals (33.3%).

Respondents were also asked to assess the negative impact which their top executives’ decisions have had on their wellbeing in the last year (Fig.3). It was found that one-fifth of all the respondents who pointed out such negative impact complained about reductions in their remuneration and
restructurization (18.2 % and 19.6 % respectively). Over a third of all respondents working in trade suffered from reductions in pay (35.5 %) while large numbers of employees in banking and construction faced the negative effects of restructurization (38.5 and 35.7 % respectively). Every fourth worker in the service sphere (24.6 %) and every fifth in the production industry (20.5 %) complained about reductions in pay.

Our analysis has shown that manual workers tend to suffer from reductions in their earned income more than other respondents (25.8 %). The same happened to every fifth member of the operational staff (22.6 %) and middle managers (20 %). Restructurization processes took their toll on about a half of top executives (40 %), every fifth middle manager (20 %) and specialists (19.7 %). Top executives (20 %) and the line staff (12.9 %) suffered from redundancies and the loss of their employment benefits more often than other categories of workers.

Some questions were targeted at finding out the main sources of negative emotions at work. Our analysis has demonstrated that every fifth worker suffers from excessive stress (22.7 %); intensity of work (19 %); working overtime (19.9 %); and difficulties in combining their professional and personal lives (16.6 %) (Fig.4).

Analyzing these answers, we should pay special attention to those aspects of the working environment which are connected with management. For example, respondents point out

<table>
<thead>
<tr>
<th>Source of Negative Emotions</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workload has increased without a corresponding increase in pay</td>
<td>43.3</td>
</tr>
<tr>
<td>No payment for extra work</td>
<td>33.3</td>
</tr>
<tr>
<td>No annual leave is granted</td>
<td>16.7</td>
</tr>
<tr>
<td>No remuneration payment</td>
<td>30.0</td>
</tr>
<tr>
<td>Unfounded wage reduction</td>
<td>20.0</td>
</tr>
<tr>
<td>Unfounded detention of wages up to 1 month</td>
<td>1.7</td>
</tr>
<tr>
<td>Unwarranted dismissal</td>
<td>6.7</td>
</tr>
<tr>
<td>Unfounded detention of wages more then for 1 month</td>
<td>10.0</td>
</tr>
<tr>
<td>No infringement</td>
<td>5.0</td>
</tr>
</tbody>
</table>

**Fig. 2. The responses given to the question “Have there ever occurred cases of infringement, by the employer, of the terms of your agreement/contract with him/her?” what form, exactly, did these infringements take?”, %**
professional incompetence and destructive personality qualities of the executive staff as the sources of their negative emotions (15.7 % each). The smaller but still significant number of answers reveals psychological pressure and lack of positive interaction and rapport with the executive staff (9.5 % and 8.5 % respectively). Every seventh respondent was dissatisfied with the absence (or lack) of care demonstrated by the employer (15.2 %). Overall, over a half of the answers (60.6 %) indicate that these organizations are facing problems which can be classified as related to toxic management.

As for the economic sectors, the highest level of stress is observed in the sphere of banking and finance (50 %). On average about a third of workers in services, trade and construction and only every tenth worker in the spheres of energy and production experience constant stress at work. Bank employees most often complain about high work intensity (35.7 %) while workers of trade companies have the lowest level of work intensity (9.7 %). Executive staff complain about workplace stress (66.7 %), high work intensity (50 %) and unregulated working day (50 %) more often than other staff categories. Manual workers mostly point out uncomfortable working conditions (25.8 %). Specialists are concerned about the unregulated working day (22.7 %) and find it hard to combine their professional and personal lives (22.6 %). Every fourth member of the line staff finds it difficult to combine their professional and personal life (25.8 %) while every fifth suffers from a high degree of stress (22.6 %).

The psychosocial wellbeing of employees depends, apart from other things, on feeling secure. Every fourth respondent said that they were worried about reduced incomes (25.2 %); health problems (24.8 %); low job satisfaction (24.5 %); and the lack of professional development (23.8 %) (Fig.5). Every fifth is afraid of losing their jobs because of the economic recession (20.5 %).

![Graph showing sources of anxiety and negative emotions in the current job](image-url)
The structure of respondents’ answers according to economic sectors is the following: in the sphere of trade people are mostly concerned about losing a part of their income (38.7%); in the service sphere, about the lack of professional development (32.8%); in the production industry, banking and finance, about losing their jobs (30.8% and 21.4% respectively) as well as the declining health condition (28.2% and 28.6% respectively). As for the category of workers, manual workers are anxious about the deterioration of their health (36.4%); line staff, about the lack of professional development (35.5%); white-collar workers, about losing their jobs (32.4%); middle managers, about reduced remuneration (32.3%); and top executives, about the low job satisfaction (33.3%).

Our survey has also found that almost a third of all respondents had to take efforts to retain their jobs. About a half (47.5%), regardless of the economic sector, said that they had to perform duties outside of their formal job assignment (Fig. 6).

The concept of social pollution emphasizes the fact that employees are forced to work overtime without being paid (44.3%), which is a direct violation of the current labour legislation. The fact of unpaid overtime work was pointed out by two-thirds of our respondents working in trade (66.7%) and over a half working in the energy sector (58.3%). In the other sectors, such answers accounted for about a third. The categories of employees who are forced to work overtime most often are manual workers (66.7%); middle managers (55.6%) and specialists (48.1%). A half of all the respondents of all categories have to work overtime without pay. A third of all manual workers upgrade their qualifications at their own expense (33.3%). The same refers to almost every fourth specialist and top executive (25.9% and 25% respectively) and every fifth middle manager and line staff member (22.2% each).

**Conclusion**

As we have already pointed out above, these results are preliminary and they do not fully reflect the current situation in Russia. This, however, does not prevent us from drawing certain conclusions.
It is well-known that the most widely spread employment practices in Russia are formal employment and verbal contracts. Informal employment should be thus considered as a shadow sector of the labour market, which is the ultimate cause of precarious employment relations. It should be emphasized, however, that even a written long-term employment contract does not guarantee employees that the employer will fulfill all their contractual obligations. In other words, precarization can take different forms within informal or formal employment schemes. According to S. Barsukova, practices of formal and informal employment tend to have more in common than we usually think [20, с. 3–15]. Formal employment acquires more and more informal aspects, which is another factor of precarization and social pollution in the employment sphere. A formal employment contract does not protect workers from legitimate but in fact toxic management practices: redundancies; outsourcing; outstaffing; early pensioning; and the usage of temporary workers.

Special attention should be paid to the problem of toxic working environment, which negatively affects psychosocial wellbeing of employees. Our research results demonstrate the importance of professional and personal characteristics of managers and interpersonal relations at work. Most of our respondents were dissatisfied with their supervisors and with the efficiency of management relations in their organizations. At the same time, the problem of toxic management is frequently ignored by Russian companies even though it is one of the crucial factors of social pollution in the employment sphere.

Thus, transformation processes in the modern employment sphere tend to become destructive for workers, which makes it vital to search for new ways of regulating employment relations. If we identify toxic elements in employment relations, it will allow us to gain new insights into the current economic realia and labour economy in particular and to accumulate knowledge for the development of new management tools.

References


Authors

Alena Eduardovna Fyodorova — PhD in Economics, Associate Professor, Human Resource Management and Psychology Department, Ural Federal University named after the first President of Russia B.N. Yeltsin (19, Mira St., Ekaterinburg, 620102, Russian Federation; e-mail: a.e.fedorova@urfu.ru).

Varvara Sergeyevna Katashinskikh — PhD in Sociology, Associate Professor, Ural Federal University named after the first President of Russia B.N. Yeltsin (19, Mira St., Ekaterinburg, 620102, Russian Federation; e-mail: varvaras@bk.ru).

Zuzana Anastazie Dvorakova — PhD, Professor, Head of the Department of Human Resources, Head of the Institute, Institute of Personnel Management, Faculty of Business Administration, University of Economics, Prague (4, Winston Churchill Sq., Prague, 130 67, Czech Republic, e-mail: zuzana.dvorakova@vse.cz).