

Russian Business Education: How It Should Be

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A roundtable discussion titled "The Role and Place of Business Education in Russia's Modernized Processes" was held on Feb. 1 by MESI, the Russian Association of Business Education and Begin Group.

Even a very short time ago, the academic and business communities were looking for ways to establish interrelations that would be effective in terms of the economic crisis. But the situation has definitely changed. According to estimates by the research center Amplua Insights, this year the size of the business education market may be more than it was before the crisis. But universities, business schools, independent coaches and training and consulting companies face new problems. Employers' criteria for judging the adequacy of business school coursework have changed. They expect schools to have applied investigations and to provide business consulting, as well as using new educational methodologies and methods. The role of the government in programs for business staff training is changing too. The educational community is seeking new ways to promote business programs, including in the regions. All these issues were raised at the roundtable discussion, and will now be discussed in more depth, speaker by speaker.

The managing partner of Amplua, Natalya Tolstaya, spoke about the modern tendency toward corporate learning and the situation on the market today. She said on the whole, companies once again have healthy budgets, although now they are trying to keep more control over expenditures, rather than the thoughtless spending characteristic of the pre-crisis period. This means that companies today are trying to understand all their purchases, including products bought from training companies, business schools and other providers of educational services. It is much more likely now that new models and approaches will

appear in business schools. There are almost no innovations among consulting and training companies, but the market needs them since innovations define a completely different level of opportunities and methodology for learning. Programs for staff trainee development are in great demand and are attracting great interest, meaning that they are being actively revised and reformed. The demand for freelance coaches has greatly increased and will rise in the future.

Another urgent and serious issue is to review companies' leadership approaches. Previously, the leader was considered to be the person at the top; but then informal leaders appeared, and nowadays companies have come to the conclusion that leadership is an important competence for everyone to have in their skill set. This may be taken into consideration in MBA programs. As for e-learning and distance education, this direction is rather slow to develop in our country, although these technologies are being studied and applied. Their effectiveness has increased in operation, and they are starting to be used in a more advanced way. Both kinds of webinars — open and corporative — are popular. We should not forget that knowledge management is also important: how to save knowledge when an employee leaves the company, what should be done to preserve knowledge as an actual resource.

Another overall tendency is toward reduced timetables. Part-time training does not seem ridiculous now. Companies are trying to individualize their employees' learning, to pay attention to people's memory potential and so on. Companies are ready to cooperate with universities and to help develop their partner's programs.

The chief manager of the Moscow foundation of staff training and innovative development assistance, Igor Stolyarov, spoke about the city's staff training systems for small and mid-sized enterprises. Modernizing education is an extremely topical issue. In his opinion, we should be guided by the major medical principle of "do no harm." The natural inclination of educational institutions is often to be competitive. They compete for student numbers and funding. But there are a great many institutions providing fundamental knowledge, in contrast to training companies and business centers. This was a reference to extensive investigations. Their staff training institute has already been delving deep into business education issues for 16 years. Nowadays they have two major programs: the city's special-purpose program, oriented toward educational support for entrepreneurs, and the presidential program, which manages staff training for Moscow's organizations. The main aim is to acquire knowledge, but the programs' participants do not always consider this a primary issue. In the framework of the city's program, it is more significant to keep existing knowledge up to date. The main priorities of the presidential program, on the other hand, are business contacts, communication and finding opportunities for promoting business.

He added that we cannot establish a modern system for small and medium business without innovative strategy. We all know that the first rule of learning is that it should have a scientific character. The practice-oriented approach is the starting point for business learning. People want to acquire practical experience even on short-term programs.

Potential young entrepreneurs and businessmen, i.e. students, form nearly 20 percent of participants on the Moscow personnel training system. We also arrange MBA programs for them, which have become extremely popular, with four potential students competing

for every place. We are also saving for, and developing, one more learning experience: foreign probation. The government pays half of the course fee and the student pays the other. We have established contacts with more than 30 countries, of which Norway, Finland, Germany, France and Japan are the most popular. Our businessmen go abroad not only to see the world, but to acquire new knowledge and put it into action.

In 2010 we taught 16,860 people, out of the 3 million people working in the small and medium-sized business sector, within the framework of the city's special-purpose programs. We are trying to implement a program called "The Basics of Business" in secondary schools. At the same time we are shooting films for the TV Pupil channel and as a result teachers now have the relevant methodological materials. In 2010 we started seeing the results of our work. Some people who studied our presidential program achieved high posts in Moscow.

Next, the independent business trainer Margarita Ivanova pointed out what special skills should be focused on in the training on offer in our schools and universities. She said we need to think over the problem. Why do our postgraduates not have all the necessary skills, and why do they have to be re-educated when they enter companies? We always work on an individual basis in schools and universities, and develop teamwork skills in companies. All subjects should be enriched with tasks and activities that develop teamwork skills, systematic thinking and the ability to envisage the final result. At first we should teach university educators, and they will teach their students.

The chief director of the Russkoye Zoloto group and chairwoman of the Audit Commission in the Russian Union of Industrialists and Entrepreneurs, Yevgenia Bogatova, described what factors are useful for designing programs in business education.

A modern executive is always under pressure from many different sides, including the mass media, psychological overworking, market and administrative pressure. This means that executives constantly need to filter and analyze useful data as quickly as possible. They must constantly renew their knowledge, especially on trends that have appeared recently, in order to apply them successfully to their business; work over their contacts, including relations both with people in their team and outside it; and take care of their physical and psychological state, social status and private life. These points determine executives' lifestyle, which is why it is so difficult for them to find free time for learning. But there is a definite need for them to get the maximum information possible about applying information technologies in business concisely and at the right time.

At the present moment, however, no one person can take on all the work of generalizing and illuminating all products on offer. That is why companies use the Internet for promotion and image making. Executives must also realize all e-opportunities on a minimal budget, including deciding how workers will effectively cooperate with the technical support engineers. Motivation programs also require data to be compiled, sorted and accurately illuminated. This is not only a scientific question, but also an applied one: how to motivate senior managers, what options there are, how and when they work, how to motivate the sales department and so on. There is a great need for an overview of the most effective practices in motivation systems.

Relations between business and the government are underdeveloped. We can look at the foreign experience of civilized "business to government" interaction for building relations with officials, and compare it with our Russian system so that people can understand and implement other ways of operating. All these issues may be involved in traditional subjects such as management and marketing. But we have another three subjects that are absolutely necessary for executives, which should be dealt with in separate seminars and practicals. The first is the ability to make decisions based on knowledge, intuition and experience, to control fulfillment of the decision and to make corrections in case of mistakes. The second is the ability to withstand stress and save energy, preventing burnout. The last is the skill of communicating with workers, partners, shareholders and the state, an ability to develop contacts and support them. This cooperation model makes up 70 percent of a company's success. Executives should be persuaded to study and shown how the acquired knowledge will improve their business.

The head of HR consulting at the company Boss Personnel Systems, Natalya Zunina, spoke about special features of modern business education. The emphasis in the new model of management education is shifting from teaching to learning, from strict expert opinion to real practice, from transferring knowledge to searching for it. Business schools must act as a kind of filter, helping people who come looking for knowledge to sift through all the information around them to find what is relevant, necessary and useful. Staff management is a priority not only at the state level but also in every chief's daily work. Executives today should be able to master the methods and programs for handling business information, to interact with information technology services and to use corporate information systems effectively.

Computer-managed systems for personnel management are one type of innovative staff technology that could really help some institutions. According to our research, launching these computer-managed systems can reduce routine documentation by 40 percent and release up to 30 percent more free time for situation analysis and decision making. Modern innovative personnel systems also work at the tactical and strategic levels. She would like to note the importance of using advanced information systems while studying on executive programs, such as Human Resource Management Systems. This way we will produce the management graduates familiar with modern program resources that business so requires these days.

Since such a wide range of topics could never be illuminated fully at a two-hour event, this roundtable discussion will continue on Sept. 7 at an exhibition hosted by Begin Group. All the participants of this discussion came to the following conclusion: "The business education system must be directed toward the development of a modern, knowledge-based economy." We have established that students on business training programs expect practice-oriented learning, the use of innovative principles, technologies, methodologies and methods of learning, as well as reduced and flexible timetables. It is specifically these expectations that business-learning providers should be taking into consideration.

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