The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Employment: Crucial Trends in Russia's Staffing Market in 2014

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October 22, 2013

The Employment section did not involve the reporting or the editorial staff of The Moscow Times.

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The Russian staffing market is a fast-growing market, which is rapidly developing and increasing its volume.

By 2014, there will be some trends in the market that basically came from the West.

Their appearance is caused by business needs. Many companies face severe competition and they need to react instantly to the market changes, accelerate internal business process and reduce applicable costs connected with the staff.

1. Managed Services Providers (MSP)

The main difference of an MSP from the ordinary service provider is that an MSP assumes the management and bears responsibility for the particular business process of the client company. The main trend of Russian business is an increasing usage of managed services providers.

MSPs offer flexible solutions, adjusted to the needs of the client, and they are involved in the optimization process, achieving high efficiency and reducing the costs of the company. Managed service providers monitor, supervise and secure outsourced business process on behalf of the organization that is using the service.

There are 4 main types of MSP models on the staffing market:

Providing temporary staff — on demand recruitment together with professional support in HR administration, accounting and legal issues;

Outstaffing — professional support of non-core personnel in HR administration, accounting and legal issues;

Outsourcing — result-oriented business process management according to the SLA;

External management of non-core functions (Payroll, HR administration, etc.).

2. Recruiting Processes Outsourcing (RPO)

RPO is the key to successful talent management. According to recent research, about 38 percent of Western companies use the RPO model and about 15 percent consider this adaptation in the near future. The RPO model also exists in Russia; however it is used mostly by foreign companies and is not as widespread as in the other countries. Russian market is ready to adopt western technologies, which offer the following benefits:

RPO provider is the in-house recruiting department of the customer on a long-term basis (the general rule is to sign the contract on a 3-5 year period). RPO provider is responsible for the result of work.

RPO provider is the representative of the client company for candidates and hiring managers, it's interested in creating a positive image of the company.

RPO provider monitors, analyzes and successfully adapts new technologies in the selection of talents suitable for the client company.

There are 3 main types of RPO models:

1. Enterprise RPO. Strategic Recruiting Solution managing entire talent acquisition process. Consultative, collaborative, high touch approach fully integrated within the client enterprise. This includes: Employer Brand Management, Referral Programs, Graduate Recruitment, Internal/External Candidate Management & Media Plan realization.

2. Project Based. Tactical Recruiting Solution managing full life-cycle recruitment process; and addressing a specific situation such as seasonal spike in activity, initiative based or rapid expansion agenda.

3. Hybrid RPO. Blended, highly flexible recruiting solution that can manage all or a portion of the recruitment process. Modular approach options addressing Sourcing, Recruitment Coordination or Recruiting Staff needs.

3. Automation and cloud technologies in the HR field

Many companies following the new trends invest a lot of money in developing of IT solutions in order to be successful. There is no exception for staffing market.

There are portal solutions to help companies organize their work with huge database of staff on a real-time basis. Besides being the convenient database, portal is the common informational field for cooperation of employees. These portal solutions facilitate all the processes related to HR administration both for employees and line managers. Their application allows achieving the transparency of the business processes, which is acceptable for major Russian and foreign companies.

Portal solutions allow to achieve integration of HR processes regardless whether they have

been outsourced to one or multiple providers or maintained in-house. Portal automates the business processes of the client associated with managing of staff. Business processes are easily configured graphically and edited.

There are special modules allowing management of the client company to implement performance evaluation by the following actions:

setting goals and objectives for the company or its business units;

cascading of goals for employees;

approval of the business goals and objectives for the development of personal skills for a certain period;

evaluation of results based on the evaluation criteria;

assessments.

Portal solution is a great analytical tool, which provides different kinds of online reports. It's also an excellent tool for remote control of the employees' achievements and results, as portal solution provides the special training and testing module.

For employees portal solution provides the self-service opportunity; they are able to receive and update information, send documents for approval and communicate with the employer.

To sum up, at the moment there is a process of transformation in the relationship between companies and providers from the classic "Customer — Provider" to more effective "Company — Partner". This kind of relationship indicates the real interest of the provider in customer's business. Providers are responsible for the result, apply new technologies, service transparency and high quality effectiveness.

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Original url:
https://www.themoscowtimes.com/2013/10/22/employment-crucial-trends-in-russias-staffing-market-in-2014-a28829