The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Employment: Cycles of Evolution

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October 28, 2015



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



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Could we have imagined, just 10-15 years ago, what the HR function would look like today, and how the HR profession would have changed? Probably not even in our wildest dreams ...

Just as there have been changes in the economy, business and other areas, the role of HR at companies has also changed significantly. Only 10 years ago, the entire HR function was confined to the personnel department and administration and operational support. Today, by contrast, it is aspiring to, and gradually taking on, the role of business partner in its own right, putting forward its own ideas and initiatives. Business is beginning to listen to HR more often. At the same time, there have been major changes in the HR profession itself. We have seen it gradually developing and evolving in response to increasing demands; in addition, a community of HR professionals has developed, with interesting platforms and forums where best practices are shared.

Today, we have concepts like headhunting and talent pipelines: companies want to identify talented people among their employees and to retain the best of the best, in order to 'cultivate' new leaders to meet their strategic objectives. They use grades and salary bands to ensure balanced organisational structures and to determine the relative contribution of each position and calculate the appropriate compensation package. The approach to assessing candidates and employees has changed, and the selection process has become more comprehensive and objective, with multiple stages. And, of course, companies are now putting a great deal of effort into learning and development functions. In other words, numerous independent areas have been identified within the HR structure: Compensation & Benefits, Learning & Development, Recruitment, Personnel Administration, etc.

A number of new initiatives have taken place in recent years, particularly in certain areas of HR. One of the most leading functions is L&D, which has seen the following trends:

Corporate Universities

Major firms — both private and state-owned — are opening corporate universities, ensuring a systemic approach to training personnel in different sectors and industries; they are developing their own practices and approaches, which may be used as benchmarks and best practices in the future. Expertise and experience in organising such functions are currently in demand in the market for HR professionals.

New Learning Formats

Many companies have well-organised learning activities to develop professional and personal skills, which their employees attend, but of late it has become clear that something less formal and more interactive is also needed. More and more companies are realising that traditional classroom learning does not always meet their objectives. Consequently, they are starting to add experimental forms of learning to their existing formats. Here, the focus is typically on expanding horizons and going beyond the usual approaches, on game-playing and gaining new experience. 'Knowledge marathons' — short learning activities on interesting and unusual topics not directly related to work are becoming increasingly popular. These are fun events that make it possible to look at familiar things from a broader perspective. They are very popular with Generation Y, which is represented strongly at many firms. Young people enjoy taking part in such events. Initiatives like this have a positive effect on employee engagement, as confirmed by annual surveys.

E-Learning and Gamification

Together with learning objectives, the effectiveness, optimization and use of modern technology remain important issues for the HR function. As such, a move into online activities is inevitable. More and more, different online webinar platforms are appearing, and courses are now being offered in e-learning program development. And since every employee was a child once, aspects of gamification and a competitive element help to achieve objectives.

Today, there is also a trend towards rethinking the performance development process. Analytics and 'big data' are playing an increasing role in HR. Companies are actively investing in talent and creating special programs for employees with high potential. Versatility and the ability to learn quickly and master new areas are highly prized. Flexible working arrangements, including working from home, with permission, are becoming increasingly relevant.

Most companies founded 20-25 years ago have been through very similar stages of development, and have all grown gradually, without any sudden leaps forward. Having started out with a small number of offices in a few cities, where everybody knew each other, they are now growing rapidly, actively recruiting specialists and opening offices in new locations. Today, they may employ several thousand people in Russia alone. We are entering new markets, developing new client segments, and focusing on personnel development and retaining key people. At any organisation, the HR function grows and develops as the company as a whole grows and develops.

I believe that the HR function at every firm will change even further under the influence of numerous external and internal factors. However, just as 10-15 years ago, no one can say

for certain what the next cycle of HR evolution will lead to. Perhaps the HR function will move online; perhaps it will be outsourced; or perhaps it will surprise everyone and provide a totally unexpected answer to this question. All we can do is watch these changes, enjoy our jobs, and support our business leaders in achieving their goals.

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Original url: https://www.themoscowtimes.com/2015/10/28/employment-cycles-of-evolution-a50539