

TRANSFORMATION OF THE RUSSIAN APPROACH TO MANAGEMENT IN THE CONDITION OF GLOBALISATION

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Abstract. The object of the article is devoted to the problem of the transformation of management in the conditions of transition to global economy. This paper shows that classical principles of management (Taylor and Sloun) have lost their efficiency for management of modern organizations, and their application will support only an existing condition of the organization, instead of promoting its development. On the basis of the research of tendencies of development conducted by authors and features of management in the conditions of globalized economy, the conclusion is drawn of the necessity of the transformation of a system of preparation of managers existing in Russia. The example of a new innovative method of preparation of managers, used in Plekhanov Russian University of Economics, is the result.

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Reikšminiai žodžiai: vadyba, globalizacija, mokymas, Bolonijos procesas, studentų mokslas, nauji mokymo metodai.

1. Introduction

The subject matters “EU and Russia in the globalized world,” “Common space” are, in a large measure, topical for all post-Soviet countries without any exception.

Globalization is obvious and inevitable, as an external factor it defines the contemporary development of world economy.

Besides, the process of globalization touches all levels of economy, not only inter-state relations (international organizations, transnational corporations, and strategic alliances) (Kulapov M. 2006).

On the February 14, 1994, the business community was shocked by the fact that George Soros had lost 600 million USD on that day. Few people perceived that the world had become uncontrollable.

Again, few people realized that the new economy of the 21st century would require new conditions on principle for survival in the competition (Barisheva G. 2006).

The approaching globalizing economy can be compared with chaos in less detail on the background of erasure of national boundaries and mixed business structures. However this chaos can be considered as a semi-structured but clearly controllable organizational structure.

For joint production of products and services as well as their sale in a number of countries, the resources and research outcomes are being combined.

2. Specificity of management in globalized economy

In condition of the coming globalization, whether we want it or not, the following aspects move forward:

- The concept of an efficient manager (combining various management models with lightning speed, taking into account the mentality of employees);
- Creation of a professional development system of managers;
- Changing paradigm of the personal values of an operating manager—work not for oneself, but for the shareholders.

The latter takes place in an environment which is continuously changing under the impact of a number of factors:

- Constant changes in the political, economic and social environment;
- Deregulation along with acceleration of progress;
- Transformation of behavioral patterns and relations within the staff;
- More active involvement of employees in the decision-making processes.

The example of the company Druckmaschinen GMBH (existing more than 150 years, with HQ in Heidelberg) is quite typical. Its HR department has conducted conceptual changes at the turn of the century by changing the notion of “worker” to the notion “labour manager.”

A similar case was also described by the classic writer on management, Peter Drucker, when he introduced the notion “Knowledge workers” (workers who possess the knowledge). The main peculiarity of this group is their ability to create a new value “at the expense” of their knowledge, not at the expense of material resources (Kulapov M. N. 2007).

The nature of the present-day production and management technology mainly rules out tough regulation, requires empowerment for decision making.

Matthew Kirnen has fairly noticed that vertical and hierarchical structure with functional division, related to the laws of classic management (Taylor, Sloan), neutralizes the potential of managers for thinking, for moving, and for learning.

Rapid development of Internet and telecommunication means and toughening competition has apparently demonstrated the inefficiency and inertness of traditional hierarchical business structures. In Russia, particularly, more often virtual organizations (i.e. broker agency) have started to emerge, the employees of which do work in a common corporate office, though they are united with a strategic business goal.

As a prototype, the virtual company Benetton can be pointed out with the following traits:

- Central attention is paid to only the stages of production focused on product development and increase of its real value.
- The periphery makes a group of partners with constantly changing staff.

Thus the traditional hierarchical business structures are being replaced by an innovative infrastructure with a flexible system of corporate authority delegation. These structures (judging by dynamics) have a real future unlike those which are dependent on “yesterday’s generals” to alleviate their way in the struggle for resources, the increasing consumption of which leads to a global ecological disaster.

We suppose that only enlightened people understand the point of dramatic change in the military doctrine in the USA and considered heated debates on this issue in American society as a political circus.

However only a few people have read the unnoticeable article in the journal *Business and Life*, which sounds as a requiem warning alarm to Russian hydrocarbon export.

3. Hydrocarbon export: serious changes

One of the few raw goods, the cost of which in Europe, Asia and the USA differs 3 and 4 times accordingly, is natural gas—the foundation of the Russian economy and its hydrocarbon export. However, serious changes, which are on the basis of price anomalies, happen just in this very market (Kapitsa S., Kurdiunov S., Malinetskij G. 2003).

The point of changes, which undoubtedly promise to turn over this market in the near future, is the concurrent development of a number of revolutionary directions for the market. One of the directions is rapid development of technologies of gas production from stratified rocky shales with no relation to oil resources.

The world learned about shale gas in 2003, solely thanks to Alan Greenspan’s warning about the approaching gas crisis in the USA. So far there has been enormous progress in both technologies and exploration of resources.

Two circumstances are obvious: low production costs with new technologies and excessively huge resources of stratified rocky shales worldwide. The amount of explored resources of shale gas in USA, Canada, China, Poland, and UK will be sufficient for the next 60 years.

One more factor is liquefied gas. There are already 40 countries to date that use liquefied gas. It will gradually narrow down the gas mains which are politically burdened, costly and ecologically harmful. And the spot market of gas trade diminishes the role of long-term contracts.

This is exactly the fact of the aforementioned burden of traditional types of hydrocarbon as a rapidly aged basis of modern economies due to which experts orient investors towards the purchase of shares of companies, working with new technologies. For example, the shares of the South-African company Sasol, developer of one of the largest shale gas fields in the Republic of South Africa as well as constructor of a giant oil and gas production complex in Louisiana.

Also, up to 75% of associated petroleum gas just gets burnt out in flares every year, which, along with economic loss, becomes a potential threat for normal functioning of a human organism at the physiological level. As a result of burning associated with petroleum gas, 400 000 tonnes of harmful substances such as carbon monoxide, nitrogen oxide, hydrocarbon, carbon-black, are thrown into the atmosphere annually.

There are two basic trends of associated petroleum gas utilization in the world:

Energy trend. It has a practically unlimited market. Associated petroleum gas is a high-calorie and ecologically pure fuel. Taking into account the high energy consumption level of oil extraction, there is a worldwide practice of its exploitation for generations of electricity users for production needs.

In the condition of constantly increasing rates on electricity and the portion of rates in the product cost, use of associated petroleum gas for generations of electricity needs will be economically justified.

Petrochemical trend. Associated petroleum gas can be processed with dry gas, driven up into the main system, gas petroleum, large fraction of light hydrocarbon and liquefied gas for domestic needs. Because of the insufficient level of utilization of the associated petroleum gas, on average only 40% of the petrochemical industry capability of the country is loaded. Loss of profit for each unprocessed billion m³ of associated petroleum gas is equal to 270 million USD of the loss of mass commodities. Moreover, losses of the country budget make up about 35 million USD.

According to some estimates, the total result of processing associated petroleum gas, extracted in Russia, should account for 362 billion RUR a year.¹

However the approach applied by Statoil and Gazprom relies on the long-term contracts and gas mains and hardly has an optimistic perspective. And apparently a similar perspective is expected for big and small countries with the economy based on these companies.

¹ Поручение Президента РФ Пр-1461 от 10.08.2007., Протокол выездного совещания Министра природных ресурсов РФ Ю.П. Трутнева в Ханты-Мансийске 18.06.2007 № 01-15/004012/2 от 26.06.2007 г.

4. Transformation of the educational system in a globalized economy

The collapse of the USSR engendered a prompt statement about a unidirectional world headed by the USA. It is not so.

Already today, when considering the budgets of the G-8 countries, the main guideline of their governments is the forecasting reaction of their stock exchange. However it is well known that the members of the aforementioned markets are the creditors of the majority of countries. Just through the transactions in the stock exchange and foreign exchange market with the effort of a limited number of non-national traders, nowadays a lot of money is made to solve global problems:

- recovery of Iraq;
- struggle with starvation and epidemics in Africa;
- elimination of the outcomes of the more frequent natural ecological disasters.

Returning to the issue of globalization and common space, it is worth mentioning that these processes obviously require active and comprehensive research.

However, instead of fundamental research of new management laws instead of the outdated ones (i.e. law of semi-structured system management), the educational community of the countries of the post-Soviet space are stuck in the problems of survival.

Despite the absence of specialized literature about a single algorithm of development stabilization of the global economy, all authors agree that the main problem is the deficit of innovations in the management field apart from the production or financial field. The same opinion was backed by the directors and deans of the leading business schools in the world, participating in the 2nd and 3rd International Business School Shanghai Conferences. Therefore training of an efficient manager, who focuses on the shareholders rather than on personal interests, should be prioritized.

Perspectives of training of managers for modern businesses will, on the one hand, depend on the level of independence of business schools in curriculum planning. On the other hand it will depend on the provision and ranking of competences stipulated in the 3rd generation of the state educational standards (beginning with international and communications skills and ending with organisational competences).

It was mentioned in the Sorbonne Declaration (within the bounds of the Bologna Process) (Italy, Germany, UK, France) that “external and internal comprehension of the educational systems of the aforementioned countries is directly related to their international acknowledgment and attractive potential.”

The purposes of the Bologna process are known as provisions of equal opportunities for higher education to those who are capable of it, as well as making education transparent, mobile and comparable (Gretchenko A. 2009).

Educational community of Russia understands and accepts it as a whole.

Though there are also those aspiring to the role of an architect of contemporary Russian education in a “burst of creativity,” who tries to act as stated in the famous revolutionary song “We will raze the whole world of violence to the ground, and then...”

Thus, nowadays Russian education is subject to debates, in which some “avant-gardists” in education try to cross out the 300 year old traditions of the Russian ed-

ucation under pretence of rapid entrance into the Bologna process which is, by the way, built on the basis of the German educational system and brilliantly adapted to the Russian mentality.

It is quite worth mentioning that by signing the Bologna conventions Germany (and not only) has set an example of care of national specificity of education. A number of universities in Italy have already started implementation of Bachelor's degree training. Thus the Russian education reformers should have gotten to know the real rather than declared experience of the Bologna Process.

The next problem is employers. It can be described with the help of the well-known law of physics: "the more the body weight is, the more inactive the body is." The survey of the representatives of a number of enterprises in Siberia, conducted in September 2006 by the journal *Expert*, revealed that employers in the majority of cases do not understand what "a bachelor" is.

Nevertheless, as the Eastern proverb says, "the dogs bark, but the caravan moves on."

According to the estimations of a number of experts of the Ministry of Education, the issue of formation of the educational and scientific innovation environment of educational institutions, marked by the Bologna Convention, will be generally solved in Russia by 2013.

Just the solution of this problem will finally enable to efficiently create the personality of the future manager; the very manager who will be able to generate innovation at a more rapid pace than those imitators who master his or her innovations. It is very important in the inevitably globalising world economy.

In the condition of free access to outdated technology, keeping an edge over competitors requires constant innovations.

And finally, one more problem which cannot remain unstated: Russian education will overcome a certain rudiment. Pre-reform system of administration of student research work was generally only related to practice. Therefore there should be implemented an amendment of the learning process for the training of graduates, possessing not only research skills but also capable of delivering the research results to the consumers of science intense products.

In the course of formation of the educational and scientific innovation environment a new teaching method is emerging. Along with traditional elements (theoretical and procedural) it comprises of environmental, developing and resource components.

At Plekhanov Russian University of Economics this method consists of:

- active participation of the students in research ordered by the public and private sectors;
- Multipurpose work of the future graduates in the existing system of the students union of the University;
- Development of professional skills of future managers in the training complex "Training corporation";
- Education at 85 foreign partner universities according to the programme "Mobility."

- Course training in the centre of staff development.

However, the efforts of Plekhanov Russian University of Economics towards overcoming the late-Soviet rudiments such as creation of the real student science and prolonged adoption of the domestic inventions (big and small), will hardly have a noticeable efficiency rate without targeted legal support, inflexibly separated from inconsistency peculiar to our mentality.

5. Conclusion

The educational community really works to get the Russian higher education to be based on such fundamental principles as academic freedom and unity of research and teaching.

While developing the educational system we should not forget about the conceptual goal of European and world education—lifelong learning.

As a corresponding member of the Russian Academy of Sciences (Grinberg R.S) fairly noticed, the approaching era of globalisation transforms and specifies this goal in terms of the obligation of the Russian educational system to train the future graduates for systemic change of professional skills from their career start till retirement.

These are the “faces” of globalisation regardless of any perceptions and objections.

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RUSIJOS VADYBOS METODŲ TRANSFORMACIJA GLOBALIZACIJOS SĄLYGOMIS

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Santrauka. Straipsnis skirtas nagrinėti vadybos transformacijos problemas Rusijoje, šaliai pereinant prie globalios ekonomikos. Šiame straipsnyje įrodyta, kad klasikiniai vadybos principai prarado savo efektyvumą modernių organizacijų valdymo srityje, nes jų taikymas palaiko tik esamą situaciją bei sąlygas organizacijose ir neįtakoja organizacijos vystymosi bei pažangos. Remiantis autorių atlikta šiuolaikinių ir klasikinių vadybos metodų bei vadybos iššūkių globalizacijos sąlygomis analize, autoriai parodo, kad būtina transformuoti esamą ir nusistovėjusią vadybininkų rengimo sistemą Rusijoje, pritaikant mokymo procese modernius vadybos metodus, leidžiančius parengti vadybininkus, sugebančius atsakyti į globalizacijos iššūkius, keliamus organizacijoms dabartiniu laikotarpiu. Straipsnyje pateikti nauji inovatyvūs vadybininkų rengimo metodai, pritaikyti Plechanovo Rusijos ekonomikos universitete.

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