

# The customised approach

The shortage of qualified managers has led some companies in Russia to develop programmes for their employees, says **Miriam Elder**

**A**sked to name their biggest concern about conducting business in Russia, many investors point not to worries about corruption, rising costs or even an unstable investment climate. The biggest problem is that qualified personnel are in increasingly short supply.

To tackle the problem, some companies in Russia have launched internal MBA or executive education programmes, hoping to build – and retain – the sort of managers and specialists each company needs.

The rapid growth of the Russian market is what prompted Unilever to launch its executive education programme this year, says Matthias Jost, Unilever's HR director for Russia, Ukraine and Belarus.

"It's a high growth environment," he says. "I always say we manage a continent, not a country."

With gross domestic product growth averaging 7 per cent per year and solid consumer spending trends spreading beyond the traditional centres of Moscow and St Petersburg, the Russian economy is a force to be reckoned with, in spite of recent market turmoil amid the global credit crunch.

"The retail market is developing really fast and it has only 15, 16 years' experience in this system. It's not comparable to other developing countries in that sense," Mr Jost says.

Russia's education system cannot keep up. Riddled with corruption, it is common practice to pay for entry to university, for good grades and for the right to graduate. Few MBA programmes exist.

"The biggest problem is the Russian mentality. We don't have experience in training managers," says Maria Artamonova, the head of MTI, a Russian firm that provides business training and educational consulting services to international and Russian companies.

"Management must understand that they can get more added value, because they have these people already, but can get more from them," she says.

**T**he Unilever executive education course, run in collaboration with the University of Virginia's Darden School of Business, aims to do just that.

The programme targets Unilever's Russian and Ukrainian employees, based on need as well as potential for further career growth, Mr Jost says. There are about a dozen people taking part in the pilot two-year programme.

The students attend six to seven one-week training modules over the course of two years. The modules, taught by Darden professors, focus on leadership and strategic management, particularly in the context of a high-growth company and environment. When not attending the modules, the students continue to work full time, in addition to executive education projects and coaching.

The only other country in which Unilever runs a similar programme is China.

One of the students on the pilot programme is Sergey Bobrovskiy, who manages two Unilever factories in Russia.

Mr Bobrovskiy, 34, says he had considered doing an MBA until Unilever announced the programme. "It's an excellent opportunity and much more effective than just an MBA."

In Russia he adds, there is a lack of good and effective

management.

"You have to develop the managers on your own. Unilever realises that and they're investing in their people."

Mr Jost, who designed the Unilever programme after relocating to Moscow from Switzerland in 2006, was upbeat about Russia's education system. "We see a lot of people doing MBAs in Russia, but they're not customised exactly to our needs.

"We wanted to have something that is really customised to our needs, our industry and our business at Unilever."

## 'We don't need many people, we need good people'

According to Alex de Volukhoff, Russia head of Lafarge, the French cement giant, the difficulty of finding and retaining effective managers is particularly acute in Russia.

"For Lafarge – and we're in over 80 countries – it's probably the most difficult HR market in the world at the moment. The conjunction of a high potential market and the need makes the size of the HR issue much bigger here."

MBAs and professional education are still not in step with the needs of the company, says Mr de Volukhoff.

Last year, Lafarge Russia launched an executive programme to train Russian and Ukrainian managers, as well as technical specialists. A few dozen employees have been enrolled.

Mr de Valukhoff says.

A recent poll by Opora, Russia's small and medium-sized business lobby, found that the 5,500 businessmen surveyed across 40 regions of the country cite lack of qualified personnel as the main problem.

"We don't need many people, we need good people," adds Mr de Valukhoff.



Programme planner: HR director Matthias Jost designed Unilever's course