

Training in Russia

MANY OF RUSSIA'S WORKERS ARE HIGHLY EDUCATED, BUT THEY LACK KNOWLEDGE OF WESTERN BUSINESS CONCEPTS. AS MORE WESTERN FIRMS RELOCATE TO RUSSIA, THEY NEED TO KNOW HOW TO TAP INTO THE LOCAL TALENT. HERE'S A LOOK AT RUSSIAN WORKERS: WHAT KIND OF TRAINING THEY NEED AND HOW TO DELIVER IT.

SINCE THE POLITICAL collapse of the Soviet Union, scores of Western firms have either relocated to Russia or opened branches there, recognizing the business potential of one of the world's largest emerging markets. In 1991, there were just over two dozen American firms registered in Moscow. Today, there are several hundred American businesses in Russia, with hundreds of expatriate managers and thousands of Russian employees. And the num-

bers are climbing. With a population of almost 150 million, Russia should be a gold mine of local talent. But many Western firms have discovered "the Russian paradox."

Russians are among the most highly educated people in the world, with a literacy rate of 99 percent. Many have at least one advanced degree. Russian students receive rigorous education in history, literature, languages, mathematics, sciences, and the arts. But business



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subjects were not taught in Soviet-era universities. And most Soviet-era enterprises didn't have such functions as finance, strategic planning, marketing, customer relations, leadership development, and human resources. The result is a large, highly-educated labor force with little understanding of organizational behavior or marketplace economics. Clearly, Russia is a vast market for training and development.

An inside edge

Why train Russians? Why not just use employees and managers brought in from Western operations?

One reason is that the typical expatriate salary package for a mid-level manager costs several times as much as the typical Russian salary. Though salaries in many parts of Russia are beginning to approach Western levels, it's likely that it will always be more cost effective to hire

locally—considering such expatriate costs as hardship premiums, overseas incentives, and tax protection.

BY LIZ THACH

Another reason is that the Russian government is concerned about rising unemployment. The need to keep citizens employed and maintain national pride are motivations to use local labor. In fact, the Russian government at the local, regional, or federal level may require that a certain number of positions in Western firms be filled by Russian nationals and that it be stipulated in any contracts.

It's also likely to be more efficient to hire locals in a culture in which who you know can mean the difference between success and failure. In Russia, personal relationships are valued highly. In some cases, a foreigner may find it impossible to reach an agreement with a Russian, no matter how trivial the matter is, until the Russian feels that a close, trusting relationship exists. Consequently, many Westerners find it expedient to hire local employees with established relationships in the community. Such relationships can be efficacious in working with suppliers, obtaining government licenses and



customs clearances, and handling countless other business tasks.

Once you've hired Russian workers, the next task is to render them effective in a Western business setting and ensure that they receive the appropriate training.

An historical perspective

To understand the strengths and learning needs of Russian employees, it's necessary to understand how training and work practices were conducted in Russia in the past. Most workers were expected to have been formally educated at a university or institute in a lecture-type setting. In the workplace, they were given specific jobs with instructions and little training. Rare training seminars—generally viewed as either a reward or perk—were theoretical rather than skill-based. As a profession, training and development hardly prospered. Nor was it viewed as a way to improve productivity or business results.

Much of the Russian perspective on training stems from the Communist work system in which employees were considered "cogs in the great Soviet wheel." The work environment was one of command and control. Supervisors had authority and told employees exactly what to do. Because rewards weren't tied to performance, employees had little incentive to demonstrate initiative, ask questions, or make suggestions. As a microcosm of Russian society, the Russian workplace fostered valuing the collective good over individuals. Peer pressure prevented people from standing out. Workers just did their jobs. Promotions often arose from personal relationships with higher-ups. Because performance-appraisal systems were based on theoretical knowledge rather than practical application, employees had no incentive to learn new skills. They wouldn't earn more pay or have a greater chance of promotion. And in all likelihood, learning new skills would result in being criticized by peers.

Yet, Russian employees bring to the workplace highly developed cognitive skills, honed through rigorous education at the primary, secondary, and university levels. They're generally well-read, with an in-depth knowledge of their special disciplines. Their

scientific and mathematical abilities tend to be exceptional. Most importantly to Western businesspeople, Russians know how to get things done in their communities and within the Russian system.

Most Russian employees are highly motivated to learn and are pleased about the opportunity to work at Western firms. It's common for people with university degrees to apply for entry-level jobs just so they can obtain experience working in Western companies.

In my experience, I've found that their most pressing training needs are to learn English and computer skills. My partner and I interviewed Western firms in Russia and talked with Russian employees. Specifically, they need training in using software, writing letters and documents in English, operating computerized cash registers, and other similar functions. They also need training in customer service, a relatively new concept in Russia. Previously, Russian businesses had not made the link between customer satisfaction and profit. Now, "smile training" and telephone etiquette are in big demand. But employees still need to learn that effective customer service can mean repeat business, greater revenue, higher net income, and secure paychecks. They need to understand basic marketplace economics, including cost management and the laws of supply and demand.

Other key development areas include teamwork and systems thinking. In the past, Russians were rarely encouraged to think about the big picture; they were just expected to do their jobs. The idea of assisting a coworker in order to help the whole business succeed was foreign, as was the idea of making day-to-day decisions in the larger context of the business as a whole. Consequently, other development needs include such communication skills as how to ask questions, seek clarification, confirm understanding, hold discussions, make suggestions, give feedback, and deal with conflict. Actually, the Soviet-era work environment wasn't much different from the work environment in the United States 20 years ago when employees did what they were told.

Russian workers also need planning and organizing skills. They need

daily coaching so that they can begin thinking ahead to the next step in a job or next phase in a project. Western managers working in Russia often become frustrated because they aren't used to having to micromanage. But they've also seen that when employees grasp the concept of empowerment and decision-making, they exceed expectations.

In addition, Russian managers need training in Western management skills. Because past managers used control, Russian employees may not respect a manager with a participative style, at least not until they understand that the style is expected and doesn't undermine the manager's authority. Then, Russian employees complain if a participative manager is replaced by a directive one, just as American workers often do.

Interestingly, though Russians are interested in learning Western management techniques, it's common to see a formerly collaborative employee turn into an autocrat when he or she is promoted to a supervisory position—no doubt reverting to the cultural conditioning of the old system.

Different work ethics can also frustrate Western managers, such as the lack of punctuality and excessive smoking breaks. In fact, many Russians seem to delight in breaking the rules—perhaps as behavior left over from the Soviet era in which underpaid employees would say, "They think they are paying us; let them think we are working."

Training tips

Here are some suggestions for training Russian workers:

Take advantage of a positive attitude.

Most Russians see training as a chance to improve themselves and get ahead. And they still see it as a perk to some extent. In addition, Russians excel at self-study, especially if it's structured. Often, you can give them a manual and videotape, and they'll complete the whole program quite studiously. An exception is on-the-job training; Russians don't think of it as real training. It's best to provide several development opportunities, including OJT, classroom training, self-study, and apprenticeship—and to communicate that all of these approaches are part of

a comprehensive training and development strategy.

Start with basic skills. Too many Western companies have made the mistake of jumping in and training Russian employees using the same concepts they offer at home. But in Russia, such Western concepts as participative management, empowerment, reengineering, and teamwork don't translate immediately. It's better to start with basic skills training.

Encourage coaching. As all training professionals know, if training isn't reinforced on the job, it doesn't work. It's crucial for expatriate managers to coach and counsel Russian employees daily on implementing basic skills. But first, the expats should receive training in the Russian culture, appropriate coaching techniques for Russians, the need to micromanage in the beginning, and their role in helping Russian employees become successful and productive. In Russia, the manager's role is still widely perceived as authoritative and powerful. This viewpoint can aid retention when expat managers reinforce training. That can, in turn, translate to a high return-on-investment for training dollars.

Link learning to business. Because Russians still tend to view training as a perk, it's important to link learning to business results and systems. In the very first training session, Russian employees should be told that training is being offered because it will help them and the business. All training efforts should emphasize the systems aspect of the business and how employees' jobs fit within the system. Describe the big picture, emphasize organizational values, and explain how money is made.

Recognize the age factor. Some older Russian employees may appear to be less motivated to learn such Western business concepts as profit-loss ratios, the focus on customers, and the need for efficiency and quality. The new flood of e-mail, faxes, and voice-mail messages exacerbates the situation. It's best to acknowledge the problem, recognize that it's engrained from years of working in the Soviet era, and be patient and methodical in training and coaching older Russian employees.

Know what works best. Russians respond well to tests and quizzes. They

TRAINING FIRMS IN RUSSIA

Though many companies relocating to Russia bring along their own internal trainers, training and development firms are on the rise. Here's a list of some in Moscow, from the *Training Supplier Directory* developed by Amoco's Organizational-Capability Group.

- ▶ American Business Training
- ▶ American Institute of Business and Economics
- ▶ Arthur Andersen CIS Professional Education Center
- ▶ Center for Basic Skills Training (U.S. West)
- ▶ Delo & Pravo & Nalogi Seminars
- ▶ Ernst & Young Professional Development Center
- ▶ HR Strategies
- ▶ IPK Nefechim

- ▶ Management Service (TMI in Russia)
- ▶ Management Training International
- ▶ Manpower International
- ▶ Moscow International Business School
- ▶ Moscow University School of Business
- ▶ Portfolio International Personnel and Training
- ▶ Russian Red Cross Society
- ▶ Strategic Training International
- ▶ TeamTraining International
- ▶ Time = Money Systems
- ▶ Training Works
- ▶ VideoBridge Videoconference Training Room Supplier
- ▶ Xylos Computer Training.

lend credibility, in the Russian view, to training classes. Russians also like lectures, videotapes, structured discussions, and hands-on practice activities. In the past, games, exercises, icebreakers, and role plays were unheard of. At first, many Russian employees will view them skeptically. But once they try them, they seem to enjoy and expect them in future classes.

Develop relevant examples. Another success factor for Russian training is the use of examples that are specific to employees' context. This requires that the trainer or instructional designer spend some time prior to training interviewing employees about their backgrounds, job duties, and social activities. Because family relationships are held in high esteem in Russia, it's important to relate to employees' work and family situations. For example, when teaching questioning skills, use the example of a wife asking her husband about eggs he bought at the store. Then move on to a work-related example.

Brush up on training via interpreter. Because a lot of training in Russia is conducted through interpreters, it behooves Western trainers to review the basic rules for communicating through interpreters and to conduct a dry run with the actual material. Naturally, it's essential that the training materials, in-

cluding videotapes, are translated into Russian. Even if classes are conducted in English because employees are bilingual, don't use a Western pace. Instead, provide the materials, with specific instructions, several days in advance so that trainees can preview them. During training, make sure that there are plenty of simple, relevant examples and practice sessions. But don't expect trainees to participate in role plays in English. During discussions, English-speaking Russians will listen and respond in English, but they're more likely to speak Russian when participating in group activities.

New businesses are opening every week in Russia; foreign investment is increasing. How long will Russians need the kind of training and development described in this article? Historical, political, and socio-economic trends suggest that it may be a while longer before Soviet-era thinking becomes global-market thinking. But when it does, no doubt the result will be a mix of cultures, management styles, and communication techniques from which the rest of the world can learn. ■

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