

The Issues of Innovative Management

© **M.A. Korgova**
Pyatigorsk, Russia
Pyatigorsk State Linguistic University
korgova@pglu.ru

The optimization of the personnel management model in Russian organizations: theoretical and methodological considerations

The personnel management in the organizations of the Russian Federation is formed under the influence of common sense, situational choices, because the economy is trying to survive, passively adopting to the uncertainty of the current situation and value-normative anomy. The institutional demand is effective only on the local scale, functions on the level of separate organizations primarily in the volatile innovative sector. The dominant ideology of “the human resource management” promotes the administrative syndrome and fosters the usage of personnel management as an instrument of organizational control but not as a method of collective socialization.

The institutional demand is limited by the legal norm, whose effect is selective and determined by structural solutions and included in the system of corporate management decision making in the Russian organizations. The model of personnel management presents a paradox, being based on the logic of common sense and at the same time containing the evaluation of stable organizations oriented at formal procedures, in conjunction with the “closed” economic and social spheres. The dependence of organizations on the “change of the rules of the game” corrects the usage of personnel management: the commitment to the rational variant of personnel management does not preclude adaptation to the structured balance of interests inside the organization.

The optimization of personnel management can proceed from the admission of the transitive practices of personnel impact, from the differentiation of personnel management methods, an improvement in the quality of organizational services and the institutional fetishism influence, confidence in the planned organizational change.

In our opinion, the optimization of the personnel management model is connected with developing organizations and not with the lack of a normative personnel policy. The deficiency of human resources, organizational efforts and strategic vision are the limiting factors of personnel management. The change of personnel management can affect the institutional bases of management in an organization and during a crisis situation – revive the corporate tendencies. The institutional fetishism contributes to the distrust to the subjects of personnel management, which stimulates the loss of interest in institutional innovations and turns personnel management out of the priority aims of the organization management development.

The particularism of personnel management limits the adaptive risks of “free-market forces”, promoting

the transfer of personnel management entirely into the non-state sector indifferent to the professional personnel training and aimed at short-term, quick-return investments. So the personnel management methods often restructure the relations with the personnel of an organization in terms of “domination-submission”. On the other hand, the corporate character of Russian organizations prevents the formation of social responsibility and social loyalty. The binding of management and the proprietary classes in the Russian economy determines the domination of the economic personnel management model: the autonomy of personnel management is possible only due to an increase of the number of professional managers.

The conventionality of passing down the reigns of an organization encourages the usage of the local organizational model but limits to an organization’s resources and mistrust of strangers, the priority of the top-management interests creates the situation for using personnel management techniques. The projecting of personnel management with emphasis on stability provides organizational discipline but neutralizes the conditions of human resource usage effectiveness. The interest to “humanistic” personnel management appears in organizations with a diversified structure, developed horizontal communications and decentralized management.

The localization of personnel management is determined by the geographical factor. Effective personnel management is localized in the Russian regions with an innovative economy, a relatively developed social infrastructure and domination of economically active social classes. 80% of personnel managers work in the organizations of Moscow region, St. Petersburg, and West Siberia. The low social and professional mobility of Russian society, sharp social stratification, underdevelopment of the educational service market negatively effect the labor market, limiting the possibilities of personnel choice and employment.

Personnel management is not effective in the organizations situated in the regions with declining economy. The economically backward industrial basis, professionally non-qualified personnel prevent the effectiveness of personnel management in the aspect of financial, organizational, and motivation considerations. The integrative tendencies, the minimization of “personnel-related expenses”, inclusion of personnel management in the administrative management prevail in the general management paradigm.

The organization management on the whole is

aimed at the actualization of a possibility of social-structural and economic reforms, so personnel management is aimed at “recognizing”, which increases public confidence in stable organizations. In the conditions of radical profession changes and people working not in their basic qualifications, the functions “of consent” are also attributed to personnel management. If the management of an organization falls in nonprofessionals’ hands, professional dilettantism immediately tells on the practices of personnel management. The rationalization of management relations is conditioned primarily by loosening the rules of personnel selection, a tendency to employ people “who agree to work on the offered conditions”. The consistent positions of personnel management provide certain flexibility. Growth is attained by the difference in the higher assessment of organization activity and its regime positions.

Social stratification also affects the status of personnel management in Russian organizations because the status of managers and businessmen is permanently manifested by their professional realizations, hence the subjects of personnel management strive to join the top-management and pursue the policy of social filters on the way of personnel professional mobility. The stimulation of competitive ability is limited by the age discrimination: the practice of dismissal of employees at the age of 40-45 is attributed to the “leading” commercial organizations. It is a problem for a middle-age man to find a place of employment corresponding to his specialization.

So the personnel management model can be interpreted accounting for the social and stratificational, territorial, social and age-oriented indices. It will not be an exaggeration to note that the Russian economy and social life are acted upon by the government and, in the opinion of Russian social analysts, can be developed in close interaction with the government organizations. The practices of the merger of business and power, the substandard development of the non-commercial sector, and traditions of autocracy lead to this conclusion.

The status of personnel management is affected by the growth of traditionalistic, isolationist community spirits which are within the limits of institutional fetishism, appeal to the idea and consider personnel management as a technological innovation on the Russian organizational basis.

Personnel management has not yet proven its competence in the management practice, because it is represented by the “local experience”, so to speak, or by the traditions of individual organizations. Work in the local space, in a highly innovative sector causes the problem of transferring the personnel management into traditional organizations. This management model exerts influence on the development of organizations in an adaptive, “special” way.

The Russian personnel management models are connected with different, sometimes opposing, approaches. It is noteworthy that in the management activity it is essential to rely on the optimum but not on the ideal model. Sticking to the ideal variant can lead to the dysfunctionality of the organization and a stoppage of the personnel activity. The introduction of innovations into the sphere of personnel management is regulated by the goals of organizations, organizational and personnel resources and reflects the level of the management cul-

ture. The term “personnel revolution” is not applicable to the present situation in Russian organizations, because the first years of economic and institutional reformation show the impossibility of organizational innovations during the dramatic, unprepared change of the personnel work model. The establishment of a compensating effect and organizational changes has a “localizing character”, and the personnel management can not be fully realized in its perspective, ideal variant.

P. Shtompka marks that “the unified process of modernization is substituted by its more various strategies. It becomes more obvious that the tempo, dynamics and consequences of modernization in different spheres of social life are quite varied” [7: 182]. This statement is perfectly applicable to the situation in personnel management, whose implementation aims are varied depending on the organization type, its management resources, needs for the personnel renewal. If a Russian organization needs a “personnel revolution”, a gradual transition to the varied personnel management could be possible. On the other hand, the Russian management patterns have “suffered” from the social and material differentiation of society. “The leap towards the social and economic freedom the Russian Federation made cost it a 20-30-year regression in many economic aspects” [2: 85].

A certain organizational regress can also be observed: the transition of an organization to the adaptation mode causes the simplification of organizational structures; the administrative syndrome again sets a goals of organizational stability and inner consolidation of the personnel. Therefore, the function of stabilization and organizational interaction is attributed to personnel management, whereas foreign studies insist on the innovative, teaching and expert functions. So the social and practical potential of management is reduced by the additional stabilization load.

Personnel management fixes the problems of organization management which in the Russian society are perceived as an analog of “managing people”, the use of power and organizational resources. It is quite possible that in the context of optimization, personnel managers should be given more power authority instead of the scheme of a “consultant” fixed in the Russian management strata, because, according to the Russian tradition, “the answerer is not responsible for anything”. The heads of organizations used “to count everything up”, are suspicious of something that does not have a long-term character and does not give material dividends.

It is possible that the legitimization and optimization of personnel management are slightly different from the normative variant but correspond to the status of modern Russian organizations. “The human capital assets” of Russian organizations is accrued as the inheritance from the Soviet period and adapted to the conditions of market economy and social freedom instrumentally, without bearing in mind the collective experience and moral incentives. Personnel management has to play a teaching role, realize the functions of a “market FAQ”, form the work experience in the horizontal organizational hierarchy.

Personnel management is directed at increasing social and professional mobility. Readiness for constant education and self-development could be regarded as an important indicator of social mobility.

The “cushioning” effect of personnel management should be projected on the levels whose positions were affected by regressive mobility (workers, engineers, humanities intelligence). So the implementation of personnel management firstly in the government organizations, where the downgrading affected only about one third of the personnel, objectively promotes the localization of personnel management and the separation of “the government sector” from the problem economic and social segments. Personnel management is subject to the logics of social differentiation: in a “market-type” society the presence of personnel management becomes the marker of distancing from “backward” organizational structures that limit the possibilities of effective experience expansion.

It is not methodologically correct to consider the optimization of personnel management model as a “replacement of environment” between the foreign models and the Russian practical schemes of “personnel work” or as a desire to combine “the best features” of each approach.

The transition from theoretical constructs to the real social knowledge is determined by the creation of an empiric model, correlates with the social and aged-oriented, organizational, social and economic, territorial indices. One should not be carried away by the resistant tendencies of the Russian mentality. The author of the famous work on the Russian national character K. Kasyanov points out: “There is no the reason to resist different borrowings. However, in order for the borrowings to be beneficial, and in order to enrich the sources of borrowings, it is extremely important that the nation should feel its place in the social system and responsibility for itself and for this place” [3: 119]. In other words, personnel management can be successful not only in the framework of the aspirations of the “top management”, of habitualization in the day-to-day activity of the personnel of the organization, but also in the context of the perspectives in the professional carrier and professional experience with the purpose of adapting to new situations.

The said changes are adapted to the Russian organizational environment; the specificity of Russian organizations is comfortable as far as the economy on the personnel belonging to the stratum interested in the support of the management “excessive ability”, which determines the competence of personnel technologies and prohibitions on the radical personnel changes.

Institutional fetishism consists in the faith in the automatism of organizational standards, whereby “the absence” of organizational environment is perceived as the passivity of the management object – the personnel of the organization. So readiness for the introduction of personnel management and step-by-step realization of measures aimed at the strengthening of the organization personnel potential can sometimes go opposite ways. If the functioning of an organization can be viewed as ordered reality, and its rationality has already been realized in the structure [2: 41], the organizational innovation consisting in the introduction of this or that personnel management technique can be estimated as a challenge of “the outer environment” or the internal system, an impact, whose innovativity is hardly evident and requires managerial attention. The locality of the personnel management experience imposes restrictions on the modeling of this pro-

cess because success can be interpreted as a concourse of specific circumstances and can have a particularistic meaning for a certain group of organizations.

So the optimization of the personnel management model, along with the empiric admissions of “deviations from the norms”, is based on the necessity of the transfer of personal knowledge into the universal functionality. P. Shtompka marks the role of the demonstrational effect, information spread, but the formation of horizontal organizational connections, the association of “personal resources” and the finding of common goals has an equally important meaning.

The institutional fetishism creates irrelevancy in the personnel management integration: the potential consumers are ready to use “imaginary” management rather than try “to vary” the methods and ways of personnel management relating to the concrete organizational order. On the other hand, there exists a real problem of personnel management qualification, which can not be based on the schemes of the Soviet personnel policy not because of the inefficiency of the latter schemes, but because the concepts of personnel management have been designed for organizations with variable functions [5: 91].

The professionalism of the Russian society has a specific character. Although the professional differentiations of the 1990s (the perquisites, work mix, change of professions, flex participation, duty time) are not considered as normal work practices [6: 403], the changes of the criteria of professionalism promote the adaptation of “deviations from the norms”. Professionalism is identified with success. It has been found that “the implementation of professional aims” and “social acknowledgement” occur on the periphery of this phenomenon. Professionalism is readily associated with big incomes, and money is a universal and the most obvious equivalent of success. On the second place for managers there is the good will. So the criteria of economic and communicative effectiveness are suitable for personnel management (the changes of the organization’s financial resources and “the image” acquisition, reputations in the relations with other organizations).

So it is important to optimize personnel management, making its patterns correspond with the “normative” model: the norms of rational “clienteles”, “teamwork”, useful meetings, professional reputation are used in the every-day practice of quite a number of organizations. During its professionalization, personnel management passes through legitimating, where its benefits are proved by the rituals of society, the authority of personnel managers as knowledge experts, but not by the success of separate organizations.

The Russian business-class is not inclined to expend money on manager training according out of material reasons and relying on the logics of common sense. Personnel management through control is the dominant pattern in the interpretation of personnel services, so the expected qualities of a personnel manager are varied within the limits of the desired experience and skills of social competence and applicant selection. So preference is given not to the graduates of universities but to the applicant having some organizational experience, the individuals who have already had a certain level of management and have passed the “green test” in this organization.

The model of the optimization of personnel management is focused on proximity to the “ideal” example, contains the patterns of meeting “challenges”, correlates with the effects of the outside environment and inner-organizational indices. Optimization can be considered as a choice in a certain situation, focuses on the maximization of organization goals and the minimization of organization expenses. It is obvious that the defection to the already set foreign example or the traditional personnel policy predetermines the constriction of organizational maneuverability and contradiction of normal constructions.

Russian managers distance from the foreign experience as an “institutionally dictated model”, which can neutralize organizational innovations and introduce spontaneity in the personnel policy. Personnel management is perceived as a reason for organizational changes. It is no accident that 80% of Russian managers agree with the possibility of organizational reformation only after the realization of federal personnel programs of 2005-2008.

The effectiveness of the model is connected with the presentation by government institutions of the experience of the best foreign companies though the state-controlled Russian organizations are “weak corporations” with strong administrative management. The interest in the vertical integration causes administrative reforms and the practice of holding creation in the economy at the same time, since “industrial clusters”, network structures, organizations of flexible profile prove to be successful. So the optimization of personnel management should head for organizational relations in the associative, differential and natural aspects.

Introduced as a combination of the acquired experience, obtained expertise and methodology, the ideal model can never be realized in full, its role is quite obvious as a beacon of personnel management perfection. The process of optimization presupposes the adaptation of the “ideal” model potential in accordance with concrete organizational assets, while the top managers of the organization make choices.

Due to the fact that the aims of Russian organizations are not in agreement with the doctrines of personnel management and it is accepted that strategic planning is the “Achilles’ heel” of organizational management. One should take account of the specific aims in the realization of the personnel management model. The organization can be interested in the intermediate results or practice the “dispersion of ideas”, which upsets the process of strategic management along the qualitative personnel management scheme. Russian firms use “informal” or “corporate standards” providing the minimization of social obligations towards the employee. Personnel management is expected to coordinate the personal aims and the aims of the organization and proceeds from the interests and social-professional identity of the organization personnel. The goals of personnel management are correlated and balanced with the constant and variable constituents of an organization. So Russian constructing organizations, for example, practically do not use any personnel management techniques because 85 % of them are used to collaborating with guest workers, most of them being illegal and semi-legal migrants. Another situation takes place in organizations with the increasing reputational capital working on the international market

where personnel management acts as an instrumental and humanities phenomenon.

Among the evident criteria of the Russian organization effectiveness, the directors mention the stability of achieved positions and monopolism in the selected sphere of activity. The costs of centralized administration are expressed in the limitation of international market entering because the optimization of the personnel management model is connected with the attraction of personnel policy to conventional standards. Only 10%-15% of Russian organizations are present on the international market and, out of the need for “mutual understanding” with foreign partners, there is the tendency to use the approved models of personnel management. The oil production companies “Lukoil” and “Sybneft” use the personnel standards for a “developing” personnel policy and attract top-managers of international qualification levels.

The system of personnel management is successful or unsuccessful not due to the imperfection of the strategic model because practical knowledge (the definition of E. Giddiness) occupies the leading positions in adaptation mechanisms. The management of personnel processes presupposes meritocracy, and personnel management is regarded as a way of the “social position” achievement appearing as a result of a meritocracy error. The organization should have adequate goals so that structural decisions determine the functionality of the organization on the whole. The dispersivity of personnel management in space and time is a step back in the face of the Russian organization institutional status aimed at maintaining local order, at the expense of individual interactions with other organizational structures.

One should remember that in the realization of the personnel management model preference is given to the disciplinary methods of influence; whereas in the “unity of freedom and activity” the discipline is viewed as a condition of freedom. In the Russian society freedom is associated with the individual life trajectory, realization in the private sphere and “sub-dominance” in the organizational behavior and motivation, so the personnel management model is based on the attractiveness of “discipline”, order, though extremely ephemeral and more imaginary than real. The integrity of management also promotes the regressive realization of personnel policy. Whatever reconstructions came to be in the structure of an organization the reproduction of the “management staff” is the constant peculiarity against drastic staff reductions. It is possible that the longing for “security” and stability stimulates the adherence to the centralized management pattern, the submission of the organization’s aims to the aims of the organizational order preservation.

In the Russian society organizations with an unsubstantial management staff are not presentative, can not try for good-will accumulation and are normally not included into the hierarchy of organizational relations. The organizations are used to competing by the criteria of “immensity”, reputation, proximity to the heads of state.

The optimization of the personnel management model is connected with the period of a “cultural vacuum”, a situation, where the perception of a “foreign model” does not yield predictable management decisions. Russian organizations does not create a united corporate ideology, therefore personnel management is interpreted primary in the technological aspect as rules governing

personnel relations, the selection and influence on the personnel of organization. The absence of “high” motivational influences in the organization except for material stimulation conditions the priority of economic effectiveness goals. The Russian model of personnel management is tailored to the human resources as a way of increasing “productiveness” and the prestige value and due to this fact the personnel management model is distanced from the issues of professional mobility and creativity.

The theory of personnel management is realized selectively. If an organization declares the strategy of human resource development, we are talking about the effective usage of the professional potential with the view to increasing the adaptation potential. A.I. Prigozhin marks the domination of structural relations above the functional ones in the activity of organizations [7: 141]. In other words, the introduction of personnel management is seen in the structural sense – as the creation of a service, into which the functions compatible with centralized management are built. It is quite possible that the functionalization of personnel management, the formation of a stable organizational necessity for personnel management are needed in connection with the introduction of organizational structures on the conditions of organizational autonomy.

The personnel management patterns are under the strong influence of the “personnel policy” paradigm aimed at neutralizing the “structural degree” of organizational reformations. Until now the conception of organizational functionality has not been developed. The diagnostics of organizational pathologies reflects the difficulties of transition to the model of “people management” and can not serve as a concrete substantiation of personnel management optimization. Viewing management as a special technology is the evidence for it [1: 103]. If a technology turns out to be a regulation of daily organizational activity, then claims about the autonomy of personnel management and the need to transfer to the management of “human resources” do not make sense. Adequacy prevails over projectivity and forecasting personnel policy. So the optimization of the model is not possible if it takes the form of structure-organizational reformations inevitably producing administrative management.

It is most preferable to consider the model of personnel management as a set of certain conceptual and practical settings for working with personnel with the aim of the strategic planning of organizational development. The limitation of the model by the so-called cul-

tural factors leads to the fact that personnel management is determined not by the aims of the organization but by individual motives or the organizational culture of the personnel. However, on such grounds the cultivation of an effective model of personnel management seems to be quite impossible.

Taking into account the uncertainty of social transformations, the asymmetry of institutional, legal and subject changes, the role of structural pressure in the activity of Russian organizations we proceed from the optimization of the personnel management model as a correction process of the theoretical-methodological construct with the aim of transforming “theoretical knowledge” into the practical management skills. The optimum model of Russian management includes:

- the approximation to the ideal, normative variant of personnel management correlates with the inner organizational settings and the conditions of the outer organizational environment;
- the negotiation of structural decisions in the activity of organizations;
- the redefinition of the aims of personnel management in concrete situations along with the preservation of the strategic management of human resources;
- the minimization of organizational expenses by the decentralization of management in the organization.

So the optimization of the personnel management model is connected with the variations of the development of Russian organizational management, reorientation on the leading Russian, not foreign, organizations and with the perspective transformation of personnel management into the autonomous professional activity consisting in human resource management.

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