

DEVELOPMENT PROGRAM FOR YOUNG EMPLOYEES WITH LEADERSHIP POTENTIAL AT RUSSIAN CORPORATE UNIVERSITY: ASSESSMENTS BY TRAINING PARTICIPANTS

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Abstract

The paper considers corporate development programs for young leaders as a significant direction of strengthening the companies' competitiveness. Our research was conducted at the corporate university of Ural Mining and Metallurgical Company. The aim of the research was to explore motivation of high-potential employees and their assessments of various constituents of the educational program. We carried out questionnaire survey among training participants.

Our research revealed that top personal objectives of training are professional development and career growth as a company employee. However, a certain part of employees takes training in order to find a new job. This is an unfavourable fact for the company. Employees give generally high ratings to different aspects of training and describe the educational program as «active», «useful», «bright». We identified differences in assessments of the program's content satisfaction, depending on the position and educational experience of the respondents. The higher the position and the bigger educational experience, the lower is the satisfaction degree.

Monitoring of high-potential employees' assessments will contribute to the improvement of corporate university's activity and working out an effective model of setting up a prospective managerial reserve. This model has to correspond to both company's strategic objectives and aspirations of young leaders.

Key words: corporate university, educational programs, high-potential employees, HR-management

JEL Code: I 21, I 25, I 26

Introduction

The consequences of the economic crisis led to a decrease in demand in the market of educational services for business. Corporations reduced budgets for the external training of personnel. Available funds are most often invested in their own training centers (Fukolova, 2016). In recent years, Russian corporate universities (especially big players) have been increasing the scale of their activities and expanding their portfolio of educational services.

Corporate universities emerged in the 1960s and spread widely throughout the world in the 1990s. Nowadays they are looking for new effective models for their development (Alagaraja & Li, 2015; Rheum & Gardoni, 2015; Patrucco, Pellizzoni & Buganza, 2017). The emergence and growth of corporate universities around the world were caused by challenges of the information society and the world economy; increased competition in the market; inability of traditional institutions of professional education to meet the demand of the modern economy for highly qualified employees (Klyucharev & Pakhomova, 2007; Lytovchenko, 2016).

The main feature of a corporate university is a clear focus and applied nature of training. The corporate university teaches exactly what a particular company needs to implement its strategy and solve current problems (Luna-Amava et al., 2016). The educational process is based on practical cases from the real life of the company. This proves to be the best way of transferring and mastering specialized knowledge. Training directly at the workplace, taking into account the specifics of a particular business, provides the gaining of unique skills and mastering of special technologies. Training in colleges and universities, on the contrary, focuses more on the formation of general professional competencies. Business schools, despite their programs being close to management practice, also lose to corporate universities in the development of narrowly-focused competencies. Only corporate universities train specialists for specific technologies and equipment. Moreover, a corporate university is a multi-level educational institution which trains specialists of all levels – from a mechanic to a manager of innovative projects.

According to Lytovchenko's definition, a modern corporate university is a system of organizational development and training, united by a single concept and methodology, inextricably linked and coordinated with the organization's strategies (Lytovchenko, 2016). The main functions of a corporate university are:

- training of employees of all levels;

- knowledge management (systemic consolidation and distribution of knowledge, skills and experience);
- formation of corporate values and development of corporate culture;
- creation and promotion of innovations (Rademakers, 2014; Scarso, 2017).

Educational programs for the development of young employees with leadership potential occupy strategic positions in corporate training. Young employees with leadership potential can take key management positions in the organization in the future (Shekshnya, 2002). They are usually labeled as high-potential employees in theory and practice of management. In addition to formal criteria (age, education), high-potential employees demonstrate high results in work and have personal qualities that allow them to take managerial positions and achieve success in these positions. The main personal qualities are:

- the desire for achievements (desire to occupy higher positions in the job hierarchy);
- organizational and leadership abilities (which ensure efficiency in managerial positions);
- involvement and motivation (sincere belief in the mission and values of the company, the desire to develop, to work faithfully for the benefit of the company and not to give in to difficulties).

The most important aspect of training of future managers is to provide them with opportunities to improve their managerial competencies. Effective training should correspond to the long-term goals of the organization and to professional interests and aspirations of young leaders. Educational programs for the development of young employees with leadership potential are an important factor in improving the effectiveness of organization management and ensuring its competitiveness in the future.

The implementation of educational programs requires monitoring the effectiveness of the current educational process on the basis of the assessment of trained employees. Monitoring needs and motives for educational activities, as well as satisfaction with the training of high-potential employees, will facilitate the prompt elimination of shortcomings in the content of programs, the work of business trainers and the organization of educational process. That, ultimately, will allow corporate university, together with the senior management of the company, to develop an effective model of forming the reserve of future leaders of the organization.

1 Data and Methods

Our study was conducted at the corporate university of UMMC¹. We studied the opinions of students about the implementation of the educational program "Development of Young Employees with Leadership Potential". This educational program consisted of intensive training activities aimed at the formation and development of a complex of managerial competencies: communicative, leadership, innovative, and intuitive. The purpose of our study was to identify personal motivation of high-potential employees and their assessments of various aspects of the educational program and the learning process. We conducted a survey of high-potential employees who were trained in this program in 2016 and 2017 (N=79). In accordance with the purpose of the program, young prospective employees from 22 to 36 years old were trained. Among them were interviewed: 78,9 % of men and 21,1 % of women; 33,3 % of middle managers; 38,9 % of line managers; 27,8 % of specialists. The average age of the respondents is 28,74.

The questionnaire contained 3 blocks of measured indicators:

1. The motivation for participation in the educational program. Respondents were required to select no more than 4 positions reflecting their priority educational objectives.

2. Perception of key characteristics of the educational program. To measure this indicator, we used the method of semantic differential (a set of evaluative adjectives with the opposite meaning). Participants evaluated the educational program on the basis of 7 pairs of adjectives-antonyms and determined their perception on the basis of a 7-point scale (from maximum to minimum intensity of a quality).

3. Satisfaction with the various components of the educational process. Respondents assessed how satisfied they were with the content of the program, the competence of teachers (business coaches), the organization of learning process and the work of the group (interaction with other participants) on a five-point scale.

SPSS 22.0 was used to analyze the data. In the course of the analysis, we used descriptive statistics and tests for the equality of means, medians, and distributions. To identify differences in the

¹ UMMC – Ural Mining and Metallurgical Company, the largest producer of copper, zinc, coal and precious metals in Russia. UMMC includes more than 40 enterprises located in various regions of Russia. UMMC Corporate University implements bachelor's and master's and additional professional education programs. The list of programs is updated annually by 40% in accordance with the needs of the enterprise and for the purpose of advanced training of personnel for modernized production. Approximately 12 thousand people study here every year – workers, engineers, managers of all levels, as well as students from the cities of the company's presence.

assessments of training participants, we considered the subgroups of respondents identified by sex, job position and experience of educational activities.

2 Results

Personal motivation for participation in trainings and educational activities is a reflection of the employees' priority goals and expectations from training (Table 1).

Tab. 1: Motives for participation in the educational program «Development of young employees with leadership potential» (% of respondents)

Motives	%
Personal development, expanding of horizons, professional self-improvement	73,7
Career growth in the company	73,7
Receiving (deepening) knowledge and skills required at the current position	68,4
Increase in income	31,6
Increasing prestige in the company (in the eyes of the employer and colleagues)	26,3
Acquisition of useful intracorporate connections and acquaintances that can help with work	26,3
Ensuring competitive advantages in the labour market	15,8
Desire to find a new job in one's own industry	10,5
Distraction from the main work, meeting new people	10,5
Desire to find a new job in another industry (the desire to change the field of activity)	5,3

Source: data of the survey

Table 1 data shows that priority objectives of the educational program's participants are related to professional development and career growth as a company employee, which corresponds to the ideal picture of a high-potential employee and confirms the effectiveness of the HR department and top management's preliminary work on identifying and recruiting prospective candidates. It is also characteristic of this audience that no respondent has indicated forced motivations (such as the employer's requirement) and formal motivations (getting diploma or certificate). At the same time, it is noteworthy that 15,8 % (10,5 + 5,3) of employees receive training at corporate programs with the goal of finding a new job in their own or in another industry. This fact is unfavorable for the company, as it is not profitable for corporate university to invest in employees who plan to use the acquired knowledge to realize their ambitions in other companies.

The participants' perception of characteristics of the educational program is presented in Table 2. Respondents were asked to assess the degree of intensity of a certain characteristic

of the program from 1 (maximally negative perception) to 7 points (maximally positive perception).

Tab. 2: Semantic profile of the educational program «Development of young employees with leadership potential» (average scores)

Positive perception	Mean	Negative perception
Active	6,68	Passive
Useful	6,63	Useless
Bright	6,47	Gray
Creative	6,26	Standard
Innovative	6,16	Traditional
Unique	5,63	Typical
Practical	5,11	Theoretical

Source: data of the survey

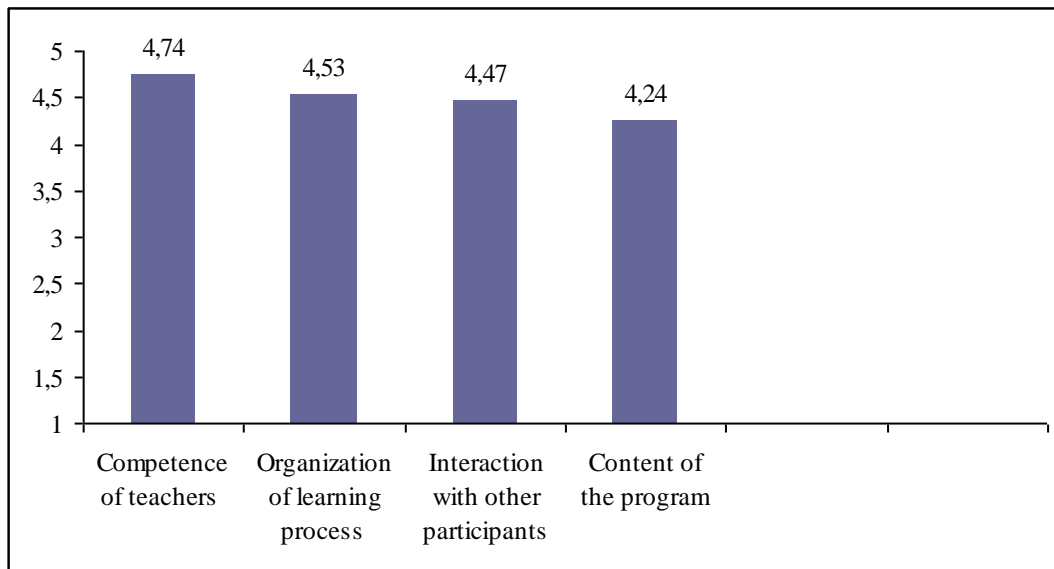
Table 2 data shows that the perception of the program is characterized by sufficiently high estimates for all proposed parameters. In the course of the analysis, significant differences were identified in estimates for such parameters as: "practical - theoretical", "unique - typical", "innovative - traditional", "creative - standard". Perception of the educational program within these parameters is somewhat lower than within other parameters.

Satisfaction with the training is an important factor of a "feedback", which allows the corporate university to evaluate achievement of educational goals and compliance with the needs of young prospective employees. Respondents assessed the degree of their satisfaction with various aspects of the educational process on a 5-point scale: 5 – maximum satisfaction, 1 – minimal satisfaction (Figure 1). Figure 1 shows a fairly high level of satisfaction with all aspects of the educational process. Students were satisfied with the competence of teachers most of all and the content of the program least of all.

During the analysis of the level of satisfaction by groups of respondents, the following significant differences were revealed:

1. The higher the employee's position, the lower the average satisfaction score for the content of the program. The average score of satisfaction with the content of the program among middle managers is 4,00; line managers - 4,14; specialists – 4,60. We did not find such an obvious connection in assessments of other parameters of the educational process.

Fig. 1: Satisfaction with various aspects of the educational process (average score)



Source: data of the survey

2. The more educational experience respondents have, the more strictly they assess the various components of the educational process. The most significant differences are also recorded in the assessments of the content of the educational program. The average score of satisfaction with the content of the program among those respondents who receive an additional professional education for the first time in the last 5 years is 5,00. The average score for respondents who participate in advanced training for the second time is 4,83; third time – 4,25; more than 3 times – 3,57. The level of criticality in evaluating educational programs rises with the increase in the experience of educational activity. Those who have the opportunity to compare the accumulated educational experience have higher demands for the content of educational programs. This fact should be taken into account by the management of the corporate university in order to improve their activity on the basis of opinions of the most competent students.

Conclusion

The development of human capital is one of the strategic priorities of any modern company. Corporate universities play a key role in this process, as their main mission is to identify, select and create "company people". Corporate universities allow the growth of personnel who understand their business as deeply as possible and share the values of the company.

The company's managers are the main carriers of the company's business culture and repeaters of models of corporate behavior. That is why programs of development of managers of various levels have strategic importance in the portfolio of educational programs of the corporate university and, especially, programs aimed at forming a prospective management reserve. The implementation of development programs for young employees with leadership potential will help to increase the involvement of these employees in solving current business problems and developing a long-term strategy for the company. Timely identification of leaders and providing them with the opportunity to develop and achieve personal career goals is one of the most important areas of strengthening the competitiveness and market stability of the organization.

Evaluation of the effectiveness of the development programs for high-potential employees can be implemented on 3 consecutive measurement levels:

- primary results (assessment of the quality of the various components of the learning process);
- realized practical benefit for the company (introduction of innovations and projects to improve the activities of individual units of the company, created by trained employees);
- long-term results (increase of the efficiency and improvement of the economic performance of the company).

In our study, we implemented the first level of effectiveness evaluation, which allowed the management of the corporate university to receive the following benefits:

1. To identify the motivation of the employees selected for training and to conclude that candidates meet the characteristics of high-potential employees on the basis of identified priorities (their personal motivation for participation in training). In this case, the survey was an additional control tool of the correct selection of the "right" participants for the program.

2. To use the assessments of the group of students for expert discussion of business coaches in order to improve the individual modules of the educational program.

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