PREPARATION OF THE ADMINISTRATIVE STAFF OF SUCCESSFUL BUSINESSES BASED ON HARMONIZED EOQ PROGRAMMES

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Summary
The report offers an analysis of features of the Russian market for preparation of administrative staff on the basis of EOQ concepts. Schemes for the adaptation of harmonized EOQ programmes, with use of innovative methodology and a competent approach, are offered. A review of the best practices, based on the experience of the N.P. Pastukhov State Academy of Industrial Management.

Keywords
Additional professional education, innovation and project concept of training (IPCT), Innovation Seminar (Innovation Game), innovation and project (IP) technology, “Quality Manager of Company Administration” (“QMCA”)

ANALYSIS AND URGENCY OF THE PROBLEM

Revision (reconsideration) of the ISO 9001 standard – which was not very important at first sight – has placed a new accent (stress) on the understanding of the status of the Quality Management System (QMS). The new standard obviously requires, from top management, the ability to analyse the environment at macro and at micro levels, to maintain the choice of the strategy and the coordination of the process of its implementation, to provide strategic work with all kinds of resources including necessary competences, to estimate and take into account all kinds of risks.

Therefore, we have come close to the epoch of complex and systematic quality of enterprise, organization and territory management. Now we can officially put the sign of equality between Quality Management System and organization management system. This puts in the foreground the task of analysis and improvement of the training of managerial staff, taking into account the philosophy of quality management.

Nevertheless, quality management is considered to be one of the aspects of organization management by most educational Russian institutions and professional consultants. Such a position is characteristic of most top management. As a consequence, responsibility for QMS and other components of Integrated Management Systems (IMS) is passed to the second, and even to the third, level of management. So, when speaking about improvement of managerial staff training, it is very important to pay attention to how the philosophy of the ISO 9000 standard is perceived by the top management of the company, and by the entire system of higher and additional professional education.
In the state educational standards of organization management, and also in training programmes for managerial staff, quality issues are given minimal time. As a rule, the problem of quality isn’t considered as a managerial problem. The section ‘product quality control’ slightly covers questions of provision of quality, but more often it is only a question of control. And even when the university, in its training programmes, refers to QMS, this is reduced to a formal presentation of the standards, and isn’t associated with the application of the principles of quality management to company administration.

So the main responsibility for the immersion of the managerial staff in the ideology of quality management, and formation of a new way of thinking, is transferred to the sphere of additional professional education (APE). But APE programmes, as a rule, are strictly oriented to the concrete demands of the customers who pay for them. The main accent is traditionally put on mastering new management instruments and elaboration of concrete skills. Because the higher school doesn’t form a systematic view on quality management, the outlook layer falls out even in the additional training of the managerial staff.

In the sphere of consultation, maintenance of the projects on implementation and improvement of integrated management systems (including quality management systems), despite constant discussions, there still prevails a classical product type of consulting services, which doesn’t deal with the sphere of outlook. The main accent is put on the documentation process, and questions of system competence and self-determination of the personnel towards the system are not touched upon.

To make management effective and efficient in practice, the head of the company must know the theory and have the will for this. The position of leader, and his conscious involvement in the process of reorganization of managerial staff at all levels, is very important. By creating an integrated management system, the head of the company provides stability, differentiation of authorities and, consequently, of the boundaries of responsibility. As a result, IMS provides management transparency and order of activities.

Then why, knowing this truth, can’t we say that our system really works, really helps us managers to release our forces and time for strategic aims? It is determined not only by the quality of training of top management and managerial staff, but also by their position (self-determination) regarding corporate values. That’s why the system of training of top management and managerial staff in quality, and in all other aspects of integrated management, requires great attention and reconsideration of its foundations.

**INNOVATION AND PROJECT CONCEPT OF TRAINING**

The N.P. Pastukhov State Academy of Industrial Management (Pastukhov Academy) has carried out work in the sphere of managerial staff training methodology since the beginning of the 1980s. The result of long-term research has become the innovation and project concept of training (IPCT) of personnel for the quality management of organizations.

In the basis of the concept there are the following major principles:

1. *Training in activity*: The efficiency of the educational process is higher when the head of the company, during the training, is involved in decisions on his own
problems, and knowledge is given according to the concrete problem. (Principle: “activity-knowledge-activity”)

2. *Project organization of education:* The training is a component of a real project, and is directed at the support of its realization process. The result of training, alongside new competences, is the realization of the work of the project. (Principle: “here and now”)

3. *Representative designing:* When solving problems of activity within the limits of a concrete project, the head relies on the group, developed on a principle of representative selection.

4. *Principle of immersion:* The training consists of modules, during the realization of which the head of the company completely puts aside his current work, and plunges into the creative process;

5. *Multitasking of training:* Alongside substantial problems, problems of forming effective interaction with members of a team (regardless of their status, age and experience), problems of personal self-determination in relation to new ideas and decisions are solved, and also the elaboration of new individual instruments of administrative activity.

For the realization of this concept, a form of educational process organization is applied such as Innovation Seminar (Innovation Game). Unlike business, role and imitating games, the innovative game does not have a known-in-advance substantial result or strict algorithm. This is a technology for complex decisions in weakly-structured problems with usage of group dynamics. Firstly, teachers here are like advisers on the effective organization of collective work on the problems which are put before the group, and secondly, teachers are as bearers of substantial knowledge which is delivered in doses, only when a necessary enquiry appears.

The participant in this educational process receives knowledge on the given problem not only through dialogue with teachers, but also by intensive information interchange in working groups. And, in contrast with traditional forms of training, here there appear two additional results (valuable for top management): abilities and skills of organizational socio-psychological management of a group, building effective communication, and also new means and methods of solving problems of one’s own administrative activity. Innovative seminars, in combination with information modules and consulting, are steps to a real project, on the output of which there are concrete changes in the organization. They are in the basis of innovation and project (IP) technology. IP technology, specially designed for training managerial personnel within the IPCT, is the most effective for realization of corporate educational projects.

**ADAPTATION OF HARMONIZED EOQ PROGRAMMES USING INNOVATION METHODOLOGY**

The content of the programme modules in Innovation and Project technology (IP-technology) is stipulated by the goals of the project, by the boundaries of the integrated management system and by the level of preparation of the students. First of all, these are questions of qualitative management of all the work of the organization, environmental security of productive processes, provision of information security and corporate social accountability. As a base for the module, we have chosen EOQ harmonized programmes; and the methodological base is the innovation and project training of the personnel.
Project-module organization of the training of personnel, with the application of innovative seminars and consultation services of the Internet, have strengthened the practical part of the training, strictly oriented it for a concrete result, and raised the motivation of all the participants in the project: students and teachers.

Transformation to the innovation and project training of the personnel has contributed greatly to the multiple growth of the volume and expansion of the research. The team of teachers has acquired professional experience: all of them are practicing auditors at the international level. When the system has been implemented in the training course of the company’s personnel, the time for preparation for the process of certification has been reduced to 4-6 months.

As a result, at the Academy, two main products have been formed on the basis of innovation and project training of the personnel and harmonized EOQ programmes.

The first product is the project of preparation of the organizations for certification of QMS and IMS; and further improvement of management systems. The project is carried out (is implemented) in the form of in-company training. The project’s participants are managerial staff and people who are at the sites responsible for quality (environment, professional safety and so on). Personnel involvement in the process of perfection of the business process in the organization allows the solution of many tasks: effective management of system creation, formation of a team devoted to the policy of the company management, reduction of expenses for the project (time and financial expenses), growth in effectiveness and efficiency.

The second project is the managerial education of top management and specialists in the sphere of integrated systems. This is a programme of additional professional education which allows one to obtain a new qualification, “Master of Business Administration” (MBA) with specialization in “Business administration based on international standards in management” and an APE programme which allows one to obtain the additional qualification “Quality Manager of Company Administration” (“QMCA”). State demands regarding the “QMCA” qualification have been worked out by the Pastukhov Academy and adopted by the Russian Ministry of Education. The implementation of this programme has now started at the universities of our country.

An additional result for each participant – for both the first and the second products – is the right to take EOQ exams, and the opportunity to acquire experience as an auditor in international projects.

Understanding the importance of changes in the system of training in the sphere of quality management, the Academy pays great attention to working with universities. A great number of universities and their sub-divisions have worked out and implemented QMS with the help of the Academy. The immersion of the top management and teachers of the university in the problems of qualitative management has promoted changes in their attitude to the concept of “quality of education” and the ISO 9000 standards. These changes have encouraged a transition from control of quality to management.
Teaching of the managerial staff based on IPCT is carried out during the development, implementation and perfection of the IMS of an organization. Diagnostic and project-innovative seminars are built in the process of work on the system; these seminars are phases of the advanced status of the project. At the seminars, executives (top management) and middle management (the team of the project) work together.

In the first phase of the project, the seminar is used to analyze conformity of the existing system to international standards. In the next phase, when the project team has already got acquainted with the philosophy and requirements of the standards, the seminar forms a basis for design (revision) of strategic documents of the system (mission, vision, strategic purposes and policy) and creation or adjustment of a process model of the organization. In the final phase, the seminar is an instrument for collective analysis of the efficiency and effectiveness of the integrated system.

Including, in the seminars, the top people of the organization in the work with the system allows us to raise the general level of responsibility for the project, to connect training of the top management and the team with the decision process of practical problems of administrative activity of the organization, and also to involve the personnel in the planning and formation of responsibility for introduction of the results of development, to create an operating team for the project.

The structure of IMS development based on the innovation method can be seen in the figure 1.

In case of improvement of the system analytical layer in innovation seminar is appearing in all phases of the project. For example, in the second phase, instead of the formation of strategic documents, the aim of the seminar is analysis of the suitability and urgency of mission, vision, strategic purposes of the organization. In group work at the seminar, projects of new policy in the sphere of quality, environments, safety, and social accountability based on the analysis of strategic problems of the organization, competitive environment and requirements of consumers are created. The main principle in collective work is «each idea has value». So, every person does not only see himself and his place in the general project, but can also use all significant collective groundwork for his own development of his own activity.
Creation (revision or development) of the process model of the activity of the organization is usually the longest and most debatable stage of the project. The main goal of this phase is the creation of conditions for application of the system approach in the management of the organization on the basis of decomposition of the objectives at management levels. Here we solve problems of distribution of responsibility, a definition of entrance and output requirements, rules and mechanisms of fulfilments of the processes, minimization of control, the analysis of monitoring parameters of processes and their constant improvement. Collective work with the process model allows top management to analyse, first of all, the efficiency of interactions of divisions in processes and their responsibility.

Precise and coordinated structuring of responsibility within the limits of processes is the main result of collective work with the process model. This responsibility in organizational structure should be supported by corresponding competences. The innovation seminar, in addition, is a fine instrument for diagnostics of the administrative competence of its participants. This fact is of great importance for the success of the whole project.

Harmonization of the limits of the responsibilities, inputs and outputs of each process is performed till full awareness of the general logic of the work, and the definition of all necessary parameters, is achieved by the members of the team.

In the description of processes there is a question of definition of necessary and sufficient degrees of their documenting. For the decision of this problem there is a special definition, “a maturity of processes”, with correspondence to a scale of maturity of the ISO 9004:2000.
standard. Such an approach allows one to choose the depth of study of the system at the first stage.

The structure of the project creation and implementation of the process-oriented integrated management system on the basis of IP-technology differs from the traditional. This difference is that training from the local stage turns into an uninterrupted working process and penetrates throughout the entire project.

APE OF HEADS OF COMPANIES BASED ON SYNTHESIS OF HARMONIZED EOQ PROGRAMMES AND IP-TECHNOLOGIES

The innovation and project concept of the personnel, and formed on its basis, IP-technology, is effectively applied in educational projects; for example, in the training of managers on MBA programmes and on APE programmes for new additional professions (“Quality Manager of Company Administration” – “QMCA”).

The MBA programme is for training of professional top managers (general managers) with additional functional specialization. In our case the specialization is “Business administration based on international standards in management”.

The MBA programme is intended for:

• training of professional executives on the basis of strengthening and development of previous experience in business and management;
• acquisition, at an advanced level, of new knowledge about organizations which operate in the modern business environment, about the modern experience of management, about the system of international standards regulating enterprises’ management; development of competences for practical management, including atypical business situations; development of administrative ability in conditions of permanent change and instability.

The MBA programme:

• prepares students for roles as leaders and reformers in the organizations;
• develops strategic thinking, enterprise skills, abilities to innovate;
• forms skills for applying knowledge to management of complex business problems in different situations;
• forms and develops communication skills;
• develops abilities of self-management, continuous training and personal perfection.

The programme is carried out on the basis of the project approach in active-distance form. It allows much time to be devoted to training with audience in groups, to be spent on the study of projects of students, on discussion, training in self-development and team development.

The second programme – APE – is based on higher education. “Quality Manager of Company Administration” (“QMCA”) makes it possible to get a new qualification. The programme is focused on company and top management and managers in QMS aspects. The goal of this programme is the preparation of experts capable of managing the project of development, implementation and maintenance (including steady improvement) of integrated management systems in the organizations. That’s why the main modules in the programme are modules on the management of quality (ISO 9000), of the environment
ISO 14000), and of safety and health (OHSAS 18000), on information security (ISO 27000), on risk (ISO 31000), on corporate social accountability (ISO 26000) and others.

The program provides deeper methods of study and instruments of administrative activity. Students get acquainted in detail with all modern standards on management systems of the company, with techniques of application of statistical methods for decisions on administrative problems, with such modern methods of management improvement as «6 sigma», «5 S», «Economical production», «20 keys to improvement» etc.

The content of the basic modules of the ‘QMCA’ programme is harmonized with programmes of the European Organization for Quality. It gives an opportunity to those who have successfully coped with the necessary modules to take exams and to get international certificates: the EOQ-manager in the appropriate area. If students have the necessary practice and work experience, then they take exams for qualification as EOQ-auditors. The exams are conducted by the authorized commission directly at the Academy.

Students carry out real projects for their organizations, or projects on the development of the business which they are interested in. These projects are defended before an examination commission which includes heads of the interested enterprises (or their representatives) and experts. Authors of the best projects can be recommended for postgraduate study at the academy with speciality 05.02.23 "Standardization and product quality control" or 22.00.08 "Sociology of management", with the right to receive a grant named in honour of N.P. Pastukhov.

The modular organization of the MBA programmes and “QMCA” enables stage-by-stage movement from one level to another.

**CONCLUSION**

The innovation-project technology and methodological approach to the systematic multilevel training of experts in the field of integrated management systems, presented here, have been approved and are widely used in practice by the N.P. Pastukhov State Academy of Industrial Management.

Using IP-technology for the creation, implementation and development of ISM, the Academy simultaneously carries out the preparation of managers and auditors for qualification through EOQ exams. Statistics show that such a method of preparation for the exam is very effective.

Including the specialization “Business administration based on international standards in management” in the MBA program, and state approval of the demands for the profession “Quality Manager of Company Administration”, allows the provision of integrity of the training of the top management and its team. The methodological remaking of harmonized EOQ programs with usage of IP-technology, and its systematic implementation in the projects, provides a synergic effect.

But the main effect will be gained when this concept is approved by the Russian system of professional education. This means that, from the first steps of the training, potential heads
of companies will have an attitude towards quality management, and its international IMS standards, as an instrument of the leader of a company.