

SCTMG 2021**International Scientific Conference «Social and Cultural Transformations in the Context of
Modern Globalism»****SPECIALIST TRAINING: EXPENSE AND EFFICIENCY**

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Abstract

The paper presents the results of the research on the issues connected with employee training in a big company involved into gas and oil extracting industry. The main purpose of the study is to analyse the economic indicators of training specialists in the geological department. A specialist is defined as a manager of average and higher qualifications performing jobs directly related to the main functions of the department. A geologist as a specialist fulfils such activities as management of geological field researches and their further analysis, systematisation and summarising of the data in the office. Annual geologist training consists of three types of the courses: compulsory, targeted, and complementary. Compulsory training is regulated by the Labour Code of the RF and includes matters concerning health and safety for employees. Targeted training is planned and implemented by the corporate learning centre and includes issues concerning new geological technologies. Complementary training is of a broader spectrum and touches upon managerial, communicative, and soft skills. In 2019 targeted training was the most costly, but embraced only 25 persons of 36 specialists in the geological department. Compulsory training was organised several times. In 2019 the company spent a big sum of money to train specialists of the geological department. But due to distant mode of learning in 2020 training courses were even more expensive than in 2019.

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1. Introduction

The notion of training is included in the methodological framework of many disciplines such as pedagogics, psychology, management, human resources, and economics. The notion of training has multiple representations. On the one hand, training is the process of transferring knowledge, experience and operations from a trainer to trainees. On the other hand, it is acquisition of knowledge, learning and mastering skills by trainees.

Training is the main way of getting education. The concept of continuous education is crucial in the contemporary educational theories including training in organisations and companies (Remizova et al., 2019). The process of education does not end up at school, college or university. It continues in the workplace. Moreover, the workplace gives more and better opportunities to gain and develop practical skills.

Nowadays rapidly changing socioeconomic situation, high level of technology, fast speed of communication and information processes make company employees keep pace with the times, technological and economic development. It has been noted that knowledge becomes out of date within 5 years, and in the IT field it is 1 year.

External environment is unstable today. Businesses that focus on only their internal resources can get in trouble rapidly.

The secret to survival and competitive advantage of any company is in its ability to be a learning organisation. In this respect the dominant economic resource is knowledge.

Knowledge renewal, new skills acquisition become an essential prerequisite not only of employees' personal success, but also a socioeconomic factor; they influence company's efficiency, its image and reputation, its competitiveness. Continuous training in the company leads to better business results – lack of wasted efforts and costs. Thus, while introducing cross-training method into the system of employee education it was noted that investment in training was profitable (Buke & Araz, 2016).

The formula introduced by Reg Revans, the founder of the action learning theory that has turned out to be very effective in practice (5), proves that companies need to have well-trained employees in a rapid changing environment: $L \geq Ch$. That means that the speed of learning must be greater or at least equal to the speed of change in the environment. To evolve constantly companies should use full internal collective cognitive capabilities and experience and attract external brainpower and training possibilities.

Today's era is recognized as a knowledge based epoch. So much attention is drawn to the problems of employees' motivation (Rezanovich, 2013), attitudes, and training need analysis (Sahoo & Mishra, 2019). Training with the Internet connection aids is widely spread and has terminological variety: distant training, e-training, virtual training, Internet training, etc. Its different aspects have been studied: distant training is appropriate for both giving instructions and manage procedures (Beinicke & Bipp, 2018), it is well accepted in the educational environment (Cabero-Almenara et al., 2018).

2. Problem Statement

Any company faces the problems that concern training its employees. First of all a company needs to manage learning, that means planning the courses, organising the training process, and measuring

progress. Planning requires designing certain curricula taking into account a number of factors. The curricula should be targeted at change and progress to the corporate goals. As goals can vary from soft skills to special skills the curricula can be numerous or it can be one multisectional curriculum.

There is a point to figure out if a company has a conscious, well-prepared plan to train its employees systematically or training occurs from time to time and depends on today's demands. Scholars and practitioners definitely recommend organisations and companies to recognise explicitly the importance of corporate learning, make it a part of the company's strategic statements (Syrett & Devine, 2014). It is of paramount importance to make training a part of company's values in practice.

The company strategy must take into consideration the threats of the external environment. Some threats might be unpredictable, as the current epidemiological situation connected with COVID-19. But those organisations who have been wise enough to establish distant learning before the quarantine now have less problems with the survival of the business and even its continued operating. The supportive training environment has turned out to be a survival factor.

Planning and organising the training process require progress measurement. Various tests, tasks, case studies conducted during the course are assessed and reflect the learners' progress to some extent. The main criterion of training importance is as follows: how individual employee's contribution to the company improves its general operation.

Training needs to be company's project, programme thoroughly budgeted for in time and money. Office hours must be adjusted to the training schedule and vice versa. As people are paid for the job to be done and time to do the job, they do not have time or money for training. Time turns out to be limited resource; in this respect time literally means money. Time for training should be considered while coordinating annual staff's work schedule.

In terms of cost training proves to be rather expensive. Training expense must be scrupulously calculated, and top managers must always bear in mind that if learning and training is company's major competitive advantage, it might be rather costly.

Employee training is vitally necessary for any company, and at the same time it requires a lot of expenditures. This contradictory nature of training is taken into consideration while studying concrete practices of training in a certain company.

3. Research Questions

The process of training in a company is rather complicated in its essence. It includes different kinds of resources and their combinations. So we have come across with the following research matters:

1. How can a specialist working for a certain department be defined?
2. What types of training are used in the company?
3. What is company's expense concerning training employees?
4. Does distant training turn out to be more or less expensive?
5. What do specialists think about distant training?

4. Purpose of the Study

The main objective of the study is to analyse the economic indicators of employee training in the company engaged in extractive industry. Due to confidentiality restrictions we are unable to mention the company's name. We can only mention that it is one of the biggest companies in the Orenburg region.

5. Research Methods

The research is based on reliable, effective and valid methods widely accepted in economic analysis. They are description, calculation, collation, comparison, evaluation. In order to find out personal opinions a survey can be applied. Graphic techniques are used as a tool of data presenting.

6. Findings

As it has been mentioned above, the company under study is involved into extractive industry. The company employs a variety of employees which matches the diversity of its activities: workers, engineers, department specialists, first level managers, senior managers. A special layer in the management is made up by so-called specialists.

A department specialist is defined as a manager of average and higher qualifications performing jobs directly related to the main functions of the department. The activities of specialists are regulated by legislative acts, regulatory legal documents of the Russian Federation, regulatory legal acts of the organization. Normally specialists are university graduates qualified to perform the following professional activities: organizational, managerial, informational, analytical and project.

It is quite obvious that the geological department is of special importance for the gas and oil extractive company. A geologist, as a specialist of the department has a number of duties and obligations. They touch upon such activities as geological field research and further analysis, systematization, and summarizing of the data in the office. A geologist must be good at recording geological information in various graphical ways: mapping particular physical and geological areas, diagramming, drawing, and making charts. Geologist's responsibilities include writing technical and economic reports, calculating resources, setting up projects on exploration, extracting gas and oil with their further refining and processing. Geologists must be aware of new technologies and know how to operate geological equipment.

Apart from the diversity of pressures bearing on specialists in the geological department, it is an imperative for all of them to be good managers of blue collar grades and workers. Specialists' managerial effectiveness depends on certain skills and competences. They can be arranged in several groups: conceptual skills, decision-making skills, analytic, administrative, communicative, interactive and technical skills.

Constant adjustment to new external and internal demands makes it necessary to organise different training courses. Each specialist in the geological department has to take at least three courses annually. The courses taken together present a system of elements that are both independent and interconnected. The systematic classification embraces three types of the courses: compulsory, targeted, and complementary.

Compulsory training courses are prescribed for all employees. Compulsory training is regulated by the Labour Code of the Russian Federation and mainly includes issues concerning health and safety for employees. As for geologists there are a lot of instructions and recommendations that should be known and followed in their daily field activities. Every year the knowledge of safety rules must be revised by the specialists and assessed by the experts.

Targeted training is planned and implemented by the corporate learning centre. The head of the department makes a list of specialists who are to take courses. Targeted training courses are arranged by the Headquarters situated in Moscow. Complementary training is of a broader spectrum and used to fill in knowledge gaps that have not been covered by targeted training.

One of the most basic principles of employee training is that the money and time spent on education should reflect and support the objectives of the organisation. The company we are examining is eager to donate both time and money to its employees' education. As an illustration of this statement it is worth giving some exact figures (Table 1).

Table 1. Indicators of the results of training specialists of the geological department (Year 2019)

Type of training	Amount of persons taken courses	Expense (RUB)	Amount of training hours
Compulsory training	68	89,000	544
Targeted training	25	256,000	360
Complementary training	47	185,000	752
Total	150	530,000	1656

The data given in Table 1 show the following facts. First of all, the actual number of specialist working in the department is 36 persons. The figures in the table demonstrate that some employees took more than one compulsory and complementary course. But targeted training was organised for only two thirds of the specialists. At the same time the targeted courses were the most expensive as they are recommended by the top managers of the Headquarters to all company's branches and conducted by specialised business schools.

The complementary courses turned out to be in great demand with geologists, so the time duration was equal to 752 hours. In general, in 2019 the company spent 530,000 rubles for training the specialists of the geological department. As a result, the specialists raised their proficiency in technology, special skills, soft and managerial skills as well as skills in health and safety field to a higher level.

In 2020 due to distant learning the training expense was higher. Business schools provided more expensive training services. The calculations given in Table 2 reveal the expense on a distant course.

Table 2. Expense on a distant course

Expense	Sum, RUB
Coach's salary	50,000
Programmer's salary	40,000
Expense on designing textual and graphical materials	15,000
Expense on the Internet platform	20,000
Total	125,000

Still, learning and training are among company's priorities, a part of its system of values.

The short survey conducted at the geological department at the end of 2020 finds the following facts:

1. Overall reaction – an appreciable majority (52 %) found it better than expected, 15 % found it excellent and % found it satisfactory.

2. Satisfying participants' learning needs – an overwhelming 75 % of the participants felt that the training courses met their need.

3. Course arrangement and delivery – above 75 % felt that the distant courses provided good understanding of the issues and contents of the relevant subject area and 55 % found it to be responsive for their needs. 85 % of the respondents felt that the interactive methods of teaching helped them to study better.

4. Course contents – regarding the contents of the courses, the specific responses were grouped in a three-point scale: 1 – very effective, 2 – effective, and 3 – ineffective. The complete responses are shown in Table 3.

Table 3. Assessment of the contents elements (%)

Elements	1 point	2 points	3 points
Knowledge of the subject	55	45	0
Organizations and presentations	60	40	0
Style and relevancy	75	25	0
Responsiveness to the issue	50	40	10
Effectiveness of the training sections	35	50	15

5. Quality of the Internet connection – about 85 % out of respondents found it satisfactory.

Besides, the company's management carried out their interview which reveals that main factor that influences the efficiency of training is employees' good will and wish to know more and revise the things they know (38 %). Coach's proficiency is considered to be a respectable reason to attend and enjoy training courses (30 %). From employees' view-point management support is one more circumstance of effective training (18 %). The contents of training aids impact the efficient performance of training courses (14%).

7. Conclusion

In summary there are some points worth registering. Today companies and organisations ride heavy challenges because of rapidly changing economic and technological conditions, and social isolation and communication shift as the sequences of COVID-19. Training issues in the company dealing with gas and oil extraction are diverse and fulfilled in the most flexible way to enable its employees to meet the new standards.

So, during the preparation for training courses the company should define the range of clearly prioritised objectives. The most important matter is to calculate accurately the expense on training and find out the economic efficiency.

The company under study spends a good sum of money on employee training. Training courses are divided into three groups: compulsory, targeted, complementary. In 2019 targeted training was the most costly. In 2020 due to distant mode of learning, training courses were even more expensive than in 2019.

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