

## EDUCATIONAL POTENTIAL OF «MASTERS OF BUSINESS ADMINISTRATION»

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### ABSTRACT

The article reveals more than ten years of experience of the Higher Transport Business School in training business administration masters for transport structures,

analyzes the methodological foundations and practices of applying a system approach to training in business management, examines the results of implementing innovative business education technologies.

**Keywords:** MBA, transport company, continuous education system, Higher transport business school, MBA programs.

**Background.** The leading role in the process of training of highly professional management personnel in the world is played by business schools, the number of which is currently more than 7,5 thousand. The first business schools are more than 100 years old (for example, Wharton School of Philadelphia University was founded in 1886, Harvard School in 1906); their number has stabilized in developed countries, but has been steadily increasing in the countries of the «new economies».

In accordance with the requirements of time, in 2005, at the Institute of Economics and Finance of MIIT Higher Transport Business School was organized, which implements various forms of postgraduate education, including training programs for business administration masters who are the intellectual capital of the company and capable of comprehensively solving the tasks of corporate governance, developing a business development strategy, forming teams of professionals and effectively using the latest business technologies in rail transport [3].

**Objective.** The objective of the authors is to consider the activity of Higher Transport Business School in training of business administration managers.

**Methods.** The authors use general scientific methods, evaluation method, comparative analysis.

**Results.** The Higher Transport Business School (HTBS) has become a pioneer and leader in the training of managers of the command level of transport companies management. It is characteristic that the license for the right to train students on the programs «Master of Business Business Administration» was received by HTBS for the first time not only in the history of MIIT, but also the history of all transport universities of the country.

For more than eleven years, the scientific director of HTBS is the rector of MIIT, Doctor of Technical Sciences, Professor B. A. Lievin, and its director is V. P. Chuprikov, who is the head of the Institute of Economics and Finance. Under their leadership, for many years the school has been implementing innovative educational technologies to train students of the Master of Business Administration programs.

Training is conducted in accordance with modern methods, allowing students to correspond to the management of corporations of international level. After graduation, graduates receive a diploma with the qualification «Master of Business Administration».

The main goal of the MBA programs today is to train and improve the specialists of the transport system for working in managerial positions, to provide them with the opportunities to master technologies and methods of prompt and competent making optimal management decisions in non-standard situations, and to teach them the main and secondary principles of doing business. MBA programs are designed to train general managers, which is

necessary for managers of such a large multifunctional organization, as JSC Russian Railways. Training in HTBS allows specialists and middle managers of the central and branch offices of the holding management who already have special education and experience to get a holistic view of how the transport business mechanism can work effectively under Russian conditions.

HTBS implements the following training programs, reflecting both the requirements of the Russian economy and the specifics of doing business in rail transport, taking into account the ongoing structural reform:

1. The program «Corporate Management in Transport» is aimed at training a new generation of managers capable of comprehensively solving the tasks of corporate governance, developing a business development strategy, forming a team of professionals and effectively using the latest business technologies in transport [4].

2. The program «Managerial Economics» provides for a comprehensive study of the methodology and practices of managing the organization's economy, strategic and operational management, financial management and projects. This program is aimed at training managers and specialists able to systematically apply economic instruments for managing a transportation enterprise while solving current and strategic tasks, and also equips managers of various levels of management with methods of economic analysis that enable them to find optimal strategies for business development.

3. Program «Management of organizational changes», specializing in the organizational development of the holding RZD, management of organizational and staff activities and optimization of the organizational and functional structure in the conditions of building a holding structure.

The scientific supervisor of these programs is the head of the economy department of JSC Russian Railways, Ph.D. (Eng.) I. A. Kostenets.

4. The program «Human Capital Management», the scientific leader of which is S. Yu. Saratov, the head of the department for the organization of payment and motivation of labor of JSC Russian Railways, is aimed at training managers and specialists able to systematically apply human resources management tools of transport enterprises in solving current and non-detailed tasks that cover a long period of time. Attendees in the process of intensive business trainings get acquainted with modern developments in the field of technologies and strategies for human resource management, get knowledge of the nuances of applying management psychology and consulting systematically, taking into account the requirements of management in railway transport; raise competence positions in such areas as the legal

framework for personnel management, labor legislation, corporate social responsibility, etc.

5. The program «Corporate finance in transport» is aimed at preparing a new generation of managers who are able to systematically apply financial management tools to solve current and strategic tasks of managing transport production. The scientific supervisor of the program is V. V. Mikhailov, Senior Vice President of JSC Russian Railways for Economics and Finance.

6. The program «Management of transport and logistics business» provides students with an opportunity to master an integrated understanding of the business environment and its national and international aspects, including economic, legal and institutional conditions of economic activity, as well as social, ethical and environmental problems, its main goal is to train managers and specialists of transport companies capable of applying logistics approaches and solving supply chain management problems, taking into account the multiple interrelations and current transformations of the system elements, implementing logistics strategies, designing and re-engineering of logistics systems and supply chains, etc. The scientific supervisor of the program is S. M. Babaev, vice-president of JSC Russian Railways, general director of the Center for Corporate Transport Services.

7. The program «Corporate Audit» is aimed at preparing a new generation of managers able to solve the tasks of internal audit and financial control at all levels of the transport company management and in all spheres of its financial and economic activity at a new level.

8. The program «Quality management of transport production» is designed for in-depth training of specialists for production departments of transport companies implementing quality management principles and methods in the production sphere.

9. The program «Quality management of transport services» [5] assumes a comprehensive training of specialists introducing quality management principles in the transport business, as well as managers of marketing and sales units.

In addition to the disciplines of specialization, each MBA program includes «canonical» functional disciplines that make up the core of the training of managers-generalists (human resources management, general management, organizational behavior, etc.) and integrated courses of a cross-functional nature that determine the scientific and methodological level of programs – strategic management, change management, business planning, etc.

Traditional for the school is a combination of different teaching methods – both didactic in the form of lectures and seminars, and active in the form of «case study», training of professional skills [2].

A large layer of innovations is associated with the use of modern information technology.

The school uses the methodology of the virtual university, practicing electronic forums with the participation of teachers and students– round tables in online mode. All this together with webinars, content and tests creates a continuous learning environment based on Internet resources and HTBS own information portal.

Following the latest methodological developments and standards of business education, special attention is paid in school to generalization and systematization of the experience of attendees, for each of which it is to a certain extent individual. Go

from the consumer, from the direct participant of business education and its real needs, rather than impose any «system of knowledge» – that is the peculiarity of the modern approach [3]. HTBS considers it necessary to give an opportunity to each attendee (and this must be people necessarily with experience, though not always managerial) to acquire in the process of training what is required and what he does not yet have, sharing with colleagues the accumulated knowledge and ideas. The educational process at the business school is considered as an interaction environment not only of the attendee and the professor, but also of the attendees among themselves, which allows to fully use the knowledge potential concluded in the learning group and develop this potential adequately taking into account the needs of each member of the group.

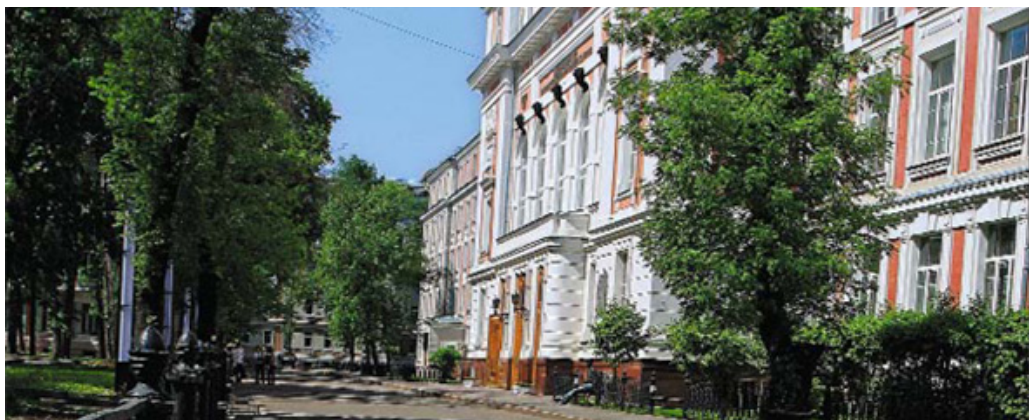
The MBA programs pay great attention to the professional language training of the students, for this, the modules include classes developed in conjunction with Moscow and British schools: Language Link, Portsmouth Business School, and Language Specialists International. At the beginning of each program, based on the input testing, students are lined up with an individual educational trajectory, through which they move during the class. They manage to significantly increase their active vocabulary, develop communication skills using a foreign language, and include foreign periodicals in their professional arsenal. Special language practice, implemented both in trainings and online, allows to easily perceive foreign speech, learn to feel confident in communicating with future potential partners already in the internship process provided by each MBA program.

HTBS has extensive experience in organizing internships on the subjects of cycles of academic disciplines. Internships help trainees learn the best practices of transport business organizations at enterprises of foreign countries, give an opportunity to attend training sessions conducted by professors of leading universities (one of them is University of Applied Sciences in Augsburg), to visit major international logistic, transport, industrial companies, to get acquainted with various aspects of their activities, to communicate with experts of these organizations. For example, Deutsche Bahn AG, DB Schenker, Kuehne + Nagel, Maersk Group, Polzug, HHLA, port terminals of the cities of Hamburg, Duisburg, Lübeck, container terminals Altenwerder, Burchardkai and others are among the companies and objects of logistical training [6].

Acquired as a result of studies and internships, the ability to apply knowledge, skills, successfully act on the basis of the experience learned while solving business problems of the transport company significantly affect the professional level of the attendees.

The result of mastering students with MBA programs is their final certification work, which necessarily provides for a comprehensive cross-functional review of their chosen problem of increasing the efficiency of the transport enterprise. At the request of the listeners, the work can be prepared and protected in a foreign language. Qualified professionals with a scientific degree are scientific leaders, and the protection of works allows the listener to demonstrate knowledge and skills of forecasting and implementation of professional activities in the modern business environment, to work out competencies in various business situations, to form





abilities to manage under the circumstances of permanent transformations.

In the context of intensive integration of JSC Russian Railways into the transport system of the Eurasian region, the significant expansion of the information space and the intellectualization of modern economic processes, the need for special managerial influences at all levels of the economic system continues to increase, which in turn necessitates the development and deepening of the reproduction of innovative knowledge and abilities of representatives of the command link. Therefore, the process of continuous education of the managers of JSC Russian Railways should be considered an indispensable condition for the strategic development of the holding company, its compliance with the changing and growing requirements of the competitive market.

**Conclusion.** Over the past time, more than six hundred students have been trained and successfully completed their studies at the Higher Transport Business School. Now they are the chiefs and leading specialists of such divisions of Russian Railways as East Siberian, South-Eastern, Transbaikalian, North-Caucasian, West Siberian, Far Eastern, South-Ural, Volga and other railways, the Center for Corporate Accounting and Reporting Zheldoruchet, the Central Directorate of Traffic Management, the Central Directorate for the Repair of the Economy and Finance Service, the Moscow Directorate of Traffic Management, the services of infrastructure directorates, the consolidated budgets of the divisions of the functional branches of the economic service, the planning departments of expenditures and the budget of expenses, the departments for the formation and control of the implementation of consolidated budgets of Service of economy and finance, departments of strategic analysis, long-term investment planning and evaluation of the effectiveness of investment services projects, etc.

According to the graduates of the school, the training program is innovative, comprehensive and contributes to the formation of a fundamentally new vision of the organization of business processes in rail

transport, the development of managerial and leadership potential of Russian Railways managers, and helps to strategically build strategy and tactics of work in market conditions.

For more than 10-year period of work HTBS has trained about 1000 graduates of various programs of mini-MBA and MBA. The higher transport business school that exists in the Institute of Economics and Finance of the Moscow State University of Railway Engineering, many former attendees believe, is making a significant contribution to the increase of the intellectual and, as a result, economic capital of transport industries. It trains managers who not only meet the requirements of international corporations, but also are ready to use the potential of the business environment for new opportunities to implement the leading Russian transport company, JSC Russian Railways.

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