

ORIGINAL PAPER



DOI: 10.26794/2304-022X-2022-12-4-48-62

UDC 334.78(045)

JEL M54

Modern Forms of Flexible Management Systems in Russia

B.B. Slavin

Financial University, Moscow, Russia

ABSTRACT

The paper considers modern forms of flexible organization's management systems in Russia. The aim of the research is to study the necessity and features of flexible management systems use for self-organization of employees' work, as well as the consequences of the transition from rigid hierarchies to flexible ones. The author solved the following tasks: he described the formation of a new employee and his political behavior; analyzed the new "shop" structures that have appeared in the Russian Federation and their struggle for social rights. The study described experiments of domestic companies with "turquoise" practices and revealed specific features of self-organization in Russia. Also, the author explored flexible methods used not just in management hierarchies but also to coordinate the implementation of projects, build information structures, as well as to organize the financing of innovations in organizations. The study used the method of comparative analysis of the existing practice of applying digitalization in the economy, as well as theoretical approaches to understanding its essence. As a result, it was shown that industrial enterprises caught in the digital transformation zone had to use flexible management practices for innovative development (at least in terms of their information systems development). Nevertheless, not all of them are universal and lead to increased efficiency. The paper reveals the role of a human factor as the most important component in the innovative company management, since self-organization and implementation of changes require special personality characteristics.

Keywords: self-organization; turquoise management; flexible management methods; human orientation; digital transformation

For citation: Slavin B.B. Modern forms of flexible management systems in Russia. *Management sciences*. 2022;12(4):48-62.

DOI: 10.26794/2304-022X-2022-12-4-48-62

INTRODUCTION

Changes in the economy have always transformed society as a whole: industrialisation has “demanded” the destruction of serfdom and class restrictions; post-industrialisation has been a catalyst for democratic change in many countries. Similarly, digitalisation changes not only economic relations, but also social relations. The digital transformation of the economy is blurring the line between producer and consumer, at least as far as information services are concerned. Partnership seems to be becoming a major trend, not only between customers and producers, but also between shareholders and employees, companies and regulators. This phenomenon is often positioned as a paradigm shift in corporate goals from shareholders to stakeholders [1], when the goals of the latter, as well as the organization’s partners (in the broad sense of the word — customers, employees, suppliers, regulators, etc.) are placed above those of the shareholders.

At the same time, stakeholders also include various non-profit and even religious organisations [2], suggesting that this is a way for businesses to be socially responsible. At the same time, the contrast between “shareholder” capitalism and “stakeholder” capitalism is somewhat of a fashion statement or the so-called bandwagoning — it is more correct to speak of broad partnership. The digital economy is built on total data sharing, which allows businesses to share their electronic resources and provide customers and partners with access to their information systems. Partnerships become a consequence of the digital communications created between economic actors.

Another characteristic of the digital age is that, as change and innovation accelerate, decision-making is declining: decision-making power is shifting from top managers to middle management. As a consequence, creative

workers, who are growing rapidly, feel freer to work when it suits them, mixing their work and private time, rather than strictly during the allocated working hours. This also leads to the convergence of managers’ information systems, i.e., their electronic calendars coexist with work schedules, meetings with relatives and friends, social activities [3].

If we look at the experience of the transformation of the media industry, we can see that today’s professional journalists often become information personalities themselves, especially on social media, taking on the role of not only content creators but also opinion leaders [4]. Personalisation and leadership are features of the digital age that undoubtedly link business and society. It is these qualities, together with the growing need for innovation, that are nowadays responsible for the increasing number of non-profit organisations (NPOs) and start-ups, which, by further integrating citizens into the economy, can be said to form an “eco-environment” around classic businesses.

The old hierarchical management systems are no longer appropriate for today’s requirements: the transformation requires more and more people to be involved in management and decision-making processes, and communication between them must be more direct. Self-organisation, flexible project and enterprise management systems, and the tangible involvement of personnel in the organisation’s activities are becoming major trends in both the global and Russian economies. Ignoring these underlying economic processes will not allow the formation of behaviour that is adequate for the digital age.

THE SEARCH FOR NEW FORMS OF SELF-ORGANISATION BY RUSSIAN COMPANIES

In Russia, as in other countries, business is looking for new forms of management using self-organisation tools. The number

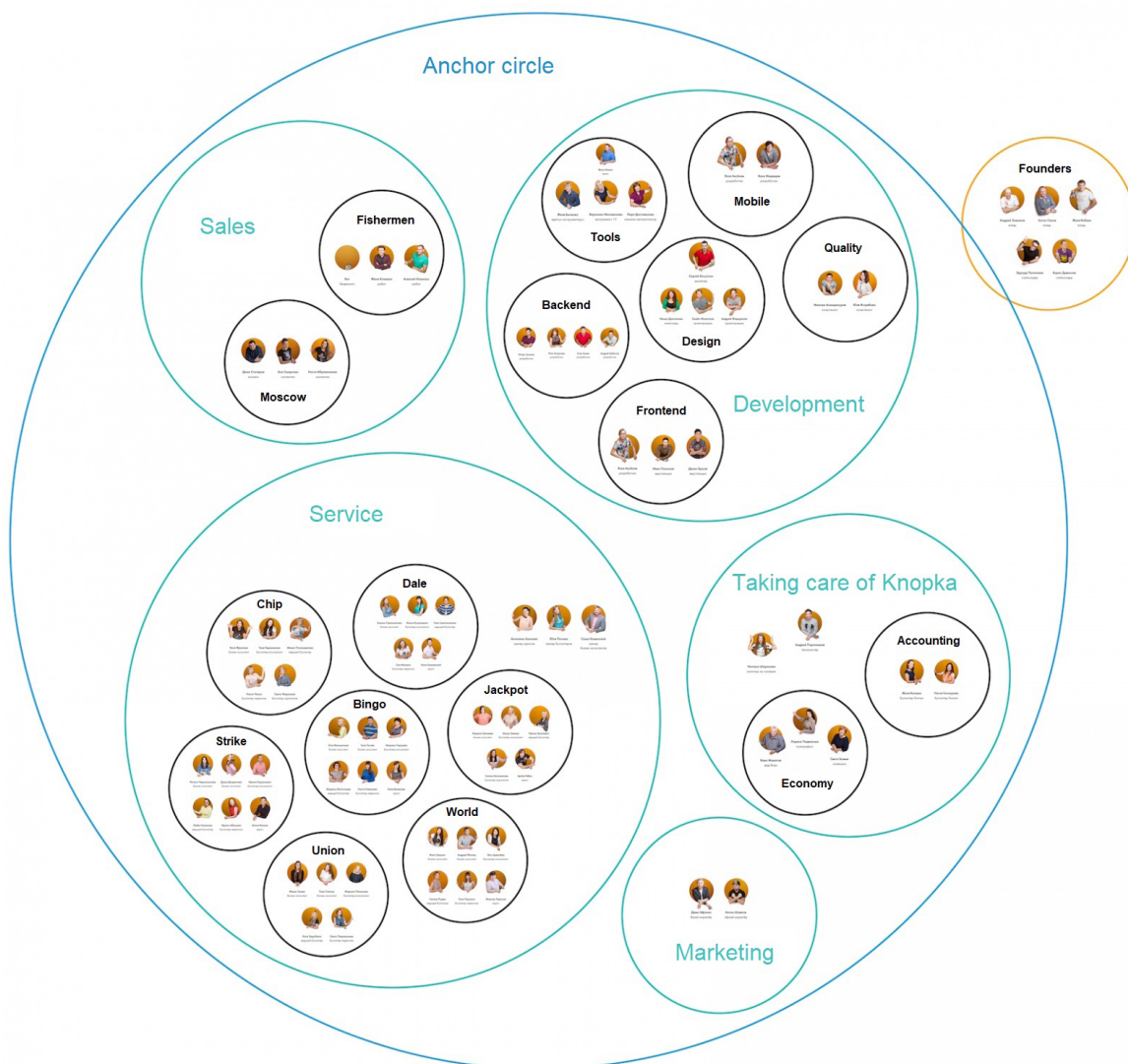


Fig. 1. Holacratic management organization of the company Knopka

Source: compiled by the authors based on URL: <https://habr.com/ru/company/knopka/blog/242491>.

of such companies is not very high, as Russian business is still quite young and for the most part does not “think” in long-term categories of supporting the business environment and fulfilling social missions. At the same time, our country’s traditional adherence to communality contributes to the fact that the ideas of self-organization (including tools of organizational behavior) find fertile ground in domestic companies [5]. Moreover, unlike their Western colleagues, Russian businessmen, who have adopted the tools of self-organization, are critical of

international experience, making significant adjustments to certain principles of turquoise management. The word “turquoise”, according to the famous book by F. Laloux [6], is now used to name companies and practices that apply tools of employee self-organization or “flat” management systems, in contrast, for example, to “red” companies that practice rigid hierarchies.

There are still few case studies in the scientific literature of enterprises implementing self-organisation tools. However, there are many mentions and discussions of turquoise

practices on the internet. Among their adherents there are manufacturing companies (“Fabrika Okon” (Windows factory), “Askona”, “Oil Energy”), trading companies (“Vkus-Vill”) and IT companies (“Neti”). Especially often turquoise practices are used, strange as it may seem (we will explain them below), by organisations in the financial sector (the “Knopka” (Button) service, the “Tochka” bank, the QIWI payment system); even some branches of Sberbank are experimenting (although largely formal) with their use.¹ There have also been initiatives to introduce flexible approaches in public projects. For example, in April 2017, a subgroup on strategic development and priority projects was even created under the Presidium of the Presidential Council, but as it usually happens with such state initiatives, this work had no continuation.

One of the most elaborate instruments of self-organisation is the so-called Holocracy [7]. Probably among the first in Russia to implement the management system preached by the Holocracy constitution² were “Tochka” Bank and “Knopka” Company. These organisations are similar in many ways, in part they have common founders, both were established in Ekaterinburg and work in the field of finance. From the very beginning, “Knopka” Company adopted a holocratic approach to management, assuming as a primary element a group (in the terminology of holacracy — “circle”) consisting of employees of different specialties (accountants, lawyers), but in fact working together (for example, with a common client or solving related issues). *Figure 1* shows a diagram of such circles and the participation of employees in them.

In fact, holocratic structures resemble in many ways the matrix or grading structures that have long been used in technology companies. But unlike them, holacracy emphasises group and creative work, which is difficult to design immediately because it changes quickly. You have to give proper respect to Russian organisations, such as “Tochka” Bank and “Knopka” Service, that focus more on efficiency and employee comfort than on the rigid principles of holacracy, and they easily restructure their management system, despite the fact that this may not comply with holacracy guidelines.

Trust is the cornerstone of self-organising management systems. This is well demonstrated by another Russian turquoise company, Oil Energy, which develops and manufactures chemical reacting substances, drilling fluids, well cementing and fracturing chemicals and materials, multi-stage fracturing equipment and cementing tooling. Unlike Button, Oil Energy took a different path in the area of self-management — it did not implement Holacracy but opted for a more moderate version of the so-called “Sociocracy 3.0”³ (latin “Board of comrades 3.0”). Its ideas, whose use in organisational management began in the mid-1990s, date back to Auguste Comte.⁴ In particular, in the Netherlands, where companies that used the Sociocratic Circle Organization Method (SCM) — actually a precursor of turquoise management, which involved the organization of “circles” and the replacement of positions with roles — were allowed not to create trade unions. It can be said that holacracy practically used the ideas of sociocracy, enshrining them in the form of “constitutional” laws [8].

¹ Turquoise internal structural units: a useful experience for the whole of Sberbank. SberTV. 30.06.2016. URL: <https://sbertv.ru/?video=1154> (accessed on: 19.03.2022)

² URL: <https://www.holacracy.org/constitution> (accessed on: 05.07.2022).

³ The number 3.0 is added to show the modernity of this sociocratic methodology.

⁴ Isidore Marie Auguste François Xavier Comte, French sociologist and philosopher, founder of sociology as a science in its own right.

Sociocracy 3.0 is already a modern technology that has become a kind of throwback, where employee interaction is not defined by rigid rules, but by general principles that can vary. Its latest (2021) version, released as an e-book under Creative commons culture licence (similar to free software), defined 10 principles: “Clarifying purpose”, “Strategy development”, “Value orientation”, “Feeling and reacting”, “Experimenting”, “Ensuring autonomy”, “Working together on dependencies”, “Investing in learning”, “Cultural development” and “Shared mental models”. [9]. The authors of the new turquoise framework write: “Sociocracy 3.0 meets organisations where they are and leads them on a path of continuous improvement. There are no radical changes or reorganizations”. [9, p. 20]. In addition to a softer approach in the allocation of responsibilities and roles, Sociocracy 3.0 suggests the possibility of gradual implementation in the organisation — one part of the management system remains hierarchical, while the other is flat.

Another example of applying the turquoise management style in Russia is the company “VkusVill”, which specializes in retail sales of food products intended for healthy lifestyle followers (HLS). The enterprises of this retail chain also use sociocracy, i.e., a lighter version of turquoise management, the implementation of which is described in detail in the book of E. Schepin [10], one of the top managers of “VkusWill”. According to company managers, modern management should abandon most of the rigid management methodologies and tools, such as budgeting and the use of key performance indicators (KPIs). At the same time, performance monitoring should become ubiquitous, but it should not be used to evaluate or control employees, but to improve performance. In a sense, this approach to self-organization coincides with the ideas of E. Deming [11],

who believed that one should not look for those responsible for failures, but for ways to improve the system so that such failures are not repeated.

The proponents of turquoise practice suggest replacing KPIs with the OKR tool, the so-called Objectives & Key Results, which is essentially a development of Management by Objectives (MBO). The MBO methodology dates back to the middle of the 20th century and at the turn of the century it gained popularity as a management tool for quality circles and self-managed work teams [12], which have recently been proposed for the innovative development of companies [13], whereas KPIs are more suitable when goals and objectives remain unchanged over a long period of time.

Flexible employee organisation practices are certainly interesting: they avoid the pointless and boring work characteristic of large-scale hierarchical structures, enable quick reorganisation, allow for new trends, etc. But at the same time, turquoise techniques are not without drawbacks. Firstly, not all people are willing to take the initiative, and in the case of horizontal management this does not allow the enterprise to develop (usually in such cases, employees choose their own additional roles). Secondly, flexible practices require more active and agile participation, which means that the younger employees are at a disadvantage. In fact, turquoise management is calculated on the fact that the principles of self-organization will themselves do all the i's in the distribution of responsibilities, which is not always effective if the company sets itself ambitious and breakthrough goals.

Trust from the management position is particularly difficult. The Russian HR experience is historically very bureaucratic, involving numerous approvals, signatures and recommendations; only young businessmen

can overcome such traditions. At the same time, leaders of agile practices have to act as preachers of new approaches not only within their organisations, but also outside them. It is no coincidence that many turquoise companies practice excursions to their offices (of those listed above, such visits are arranged by “Tochka” Bank and “Oil Energy”) to demonstrate the effectiveness of new management tools. Many of them have blogs or devote pages to agile technologies on their website, publish books, give interviews, etc. If turquoise forms of management were unambiguously more effective than conventional ones, no propaganda would be needed — most enterprises would simply start using them.

THE EFFECTIVENESS OF FLEXIBLE MANAGEMENT SYSTEMS IN THE DIGITAL TRANSFORMATION

The author of the term “Digital Economy”, D. Tapscott, in his famous book [14], has identified several stages of digitalisation of an organisation: The first (Personal Multimedia) automates employee workstations, the second (Workgroup Computing) automates the work of individual departments, the third (Enterprise Infostructure) forms the unified information system of the enterprise; the fourth (Interenterprise Computing) automates the company’s relationships with partners and customers; and finally, the fifth stage of digitalisation is where the enterprise becomes fully networked (“The Net”), resulting in a change (transformation) of most business processes and the appearance of entirely new business.

It is the accelerated development of new services that is the main driver for the adoption of agile management technologies in companies, and one of the most transformative industries requiring such approaches today is the financial one.

We have already noted above that amongst turquoise quite a few are specifically financial organisations. But flexibility in management is achieved not only through the use of holacracy and sociocracy, but also through agile design systems, an agile approach to developing new information services and even agile budgeting. And, as far as digital transformation companies are concerned, they are almost certainly applying (or intend to do so), if not turquoise, then other tools of agile work organisation.

It should be noted that the relationship between agile management systems and digitalisation goes much deeper than the simple need to accelerate the creation of new services. For example, the conclusion that trust and transparency are interlinked is in fact precisely a consequence of the widespread penetration of information technology, which makes our lives and businesses more transparent and therefore creates an environment for trust. But it is necessary to learn how to exist in it: the informatisation of social life does not accidentally generate a huge number of fakes and negatives — society is not yet ready for the level of trust that technology allows, and it protects itself from both truth and excessive trust.

Flexible project management methods have emerged (and still dominate) in the field of software development. One of the first to develop this kind of approach was T. Gilb, who in 1981 published a short paper on the evolutionary processes of software development, introducing the concept of “incremental augmentation” [15]. The next contribution to the formation of ideas of agile design was made by B. Bem who dealt with the problems of metrics and economics of software development. In his works of the 80–90s of the previous century he described a spiral model [16] which formed the basis of the so-called extreme programming — XP.

Finally, the most famous event was the appearance in 2001 of the Agile Manifesto, which was signed by 17 developers in Utah. It articulates four principles: ‘people and interaction are more important than processes and tools; a working product is more important than comprehensive documentation; collaboration with the customer is more important than contract negotiation; willingness to change is more important than following the original plan’. The first two actually proclaim a sociocratic approach, putting human communication above processes and instructions, while the last are the tenets of continuous improvement, well known in Japanese practices or derived from them (kaizen, kanban, scrum and lean).

Although Russia was not among the pioneers of agile project management techniques, domestic programmers, whose competencies are highly valued in the world, have been using them since the end of the last century (since the days of extreme programming). Nowadays, agile management practices are used by developers in those industries that are transforming most rapidly: IT, finance, telecommunications, and various online services. According to the Comnews survey, by 2020 in our country 91% of banks and 60% of retail companies are using Agile in developing solutions to some extent; even 25% of government organizations have declared its use, apparently implying agile technologies used by their contractors.⁵

Interestingly, in Russia the ideas of agile approach to project management have begun to be widely used not only in development but also in human resource management [17], education [18], marketing [19], enterprise management [20], etc. However, such implementations, as a rule, cannot be called sys-

tematic; they are episodic and have a huge number of amateurish, not always justified embellishments, most likely imitating flexibility in management. In September 2016, a commercial was published on the Internet in which the head of Sberbank, H. Gref, declared: “If Agile used to be a way of writing software code, today it is a way of existence for all organisations”. Unfortunately, declarativeness is one of the characteristic features of Russian figures (who have the opportunity to influence decision-making at the state level), which is reflected in the initiatives in the field of implementation of agile management tools in various areas not related to software development.

Agile technologies and practices have not just emerged for the sake of fashion but have become a necessity due to the increasing speed of business change. This rapid transformation of the modern enterprise associated with the introduction of IT (called digital) can be described as permanent. In the pre-digital era, the development and promotion of new products also took place, but they followed a standard lifecycle: research — development — trial operation — commercial operation — decommissioning. In the digital age, new products and services are already being introduced in the development stages and are being refined and modified during the operational phase. Development and service support are becoming increasingly close to one another.

It is easy to understand that organising such a process in a hierarchical way is simply not possible: the units involved in creating new software (analysts, developers, testers, and support) must interact horizontally, without the involvement of managers. Such technology is called DevOps (from Development and Operations) and can be said to have its roots in historical practices of agile management: Lean [21] and the Deming PDCA cycle (from Plan-Do-Check-Act), which un-

⁵ URL: <https://www.comnews.ru/content/213496/2021-03-12/2021-w10/agile-nabiraet-populyarnost-rossii>

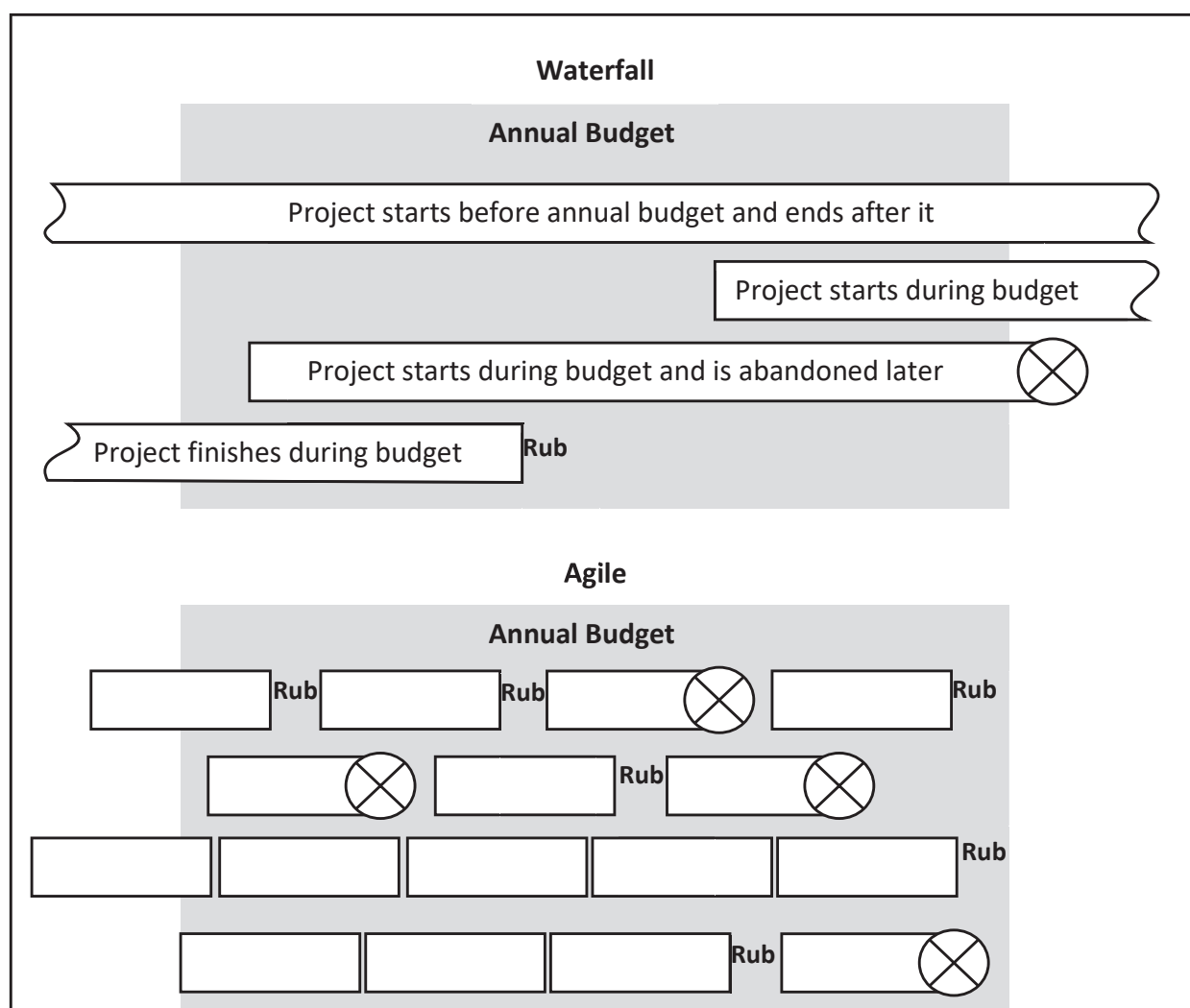


Fig. 2. Comparison of waterfall and flexible budgeting

derlies the ISO 9000 series of standards. The term “DevOps” was first used in 2009, when in Ghent, Belgium, consultant, and Agile expert P. Debois held a conference called “Devopsdays”, which later became a regular event.⁶ Today, Russian companies are actively using DevOps technology, not only in the financial (PJSC Sberbank, JSC Alfa Bank, etc.) and telecommunication (MTS, Beeline, etc.) sectors, but also in the petrochemical (Sibur, PJSC Gazprom Neft, etc.) and other industries.

At the end of 2020, a number of renowned global consultants, as well as leaders of organisations using agile management practices, published the BizOps manifesto, suggesting that the end-to-end process from development to support should start with the business.⁷ In doing so, all departments and services should not just work together as one, but also share a common vision and purpose to make the flow of value creation as efficient as

⁶ URL: <https://devopsdays.org/> (accessed on: 04.04.2021).

⁷ URL: <https://www.bizopsmanifesto.org/> (accessed on: 01.03.2022).

possible. Actively incorporating business into information systems development actually creates an alternative path to turquoise's self-organisation. Whereas turquoise companies initially create a 'flat' self-management, in the case of BizOps the horizontal hierarchy is built around the digital transformation of the enterprise. It can be said that the digitalisation of the economy is forcing organisations to become more agile and, as a consequence, to use "flat" management systems to a greater extent.

The need for flexibility extends not only to development, innovation, and project management, but also to the information system (IS) itself. Today, a so-called microservice architecture is becoming popular, where an enterprise IS consists of small services (for example, a mobile application), which are developed by a small number of IT specialists (equal to one scrum team of 5–9 people). The development of a microservice does not have to be done in-house but can be outsourced to a partner organisation. Gartner Company calls this principle "composite architecture", which allows you to create a Lego-type IS and is fully consistent with a flexible approach to development and design, and allows you to work in small teams, creating optimal conditions for self-organization. It is no coincidence, as mentioned above, that Turquoise technology is being introduced primarily in IT companies and banks, where microservices architecture has become the standard.

Interestingly, not only the enterprise information system, its organizational structure, methods of project development and management become flexible, but also the system of financing and budgeting of organizational development. In the classical (in the project terminology — "waterfall") approach to information technology budgeting, a specific amount of money is

allocated for the implementation of a project, which should be spent within a certain time frame and bring the declared value in advance. However, when it comes to innovation, the execution period and budget are usually unknown. It is not possible to plan exactly when to come up with a new idea and predict the amount of money required to do so. The way out of such a situation is flexible or venture budgeting (*Fig. 2*).

Venture capitalists face similar problems as they do in financing innovation when investing in start-ups, where the likelihood that the project will not materialise and the investment will not pay off is much higher, up to 90%. To manage such a process, venture managers combine investments in a way that generates positive returns on the portfolio as a whole. In an organisation, it is advisable to create a separate portfolio for projects that are linked to a single service or even a microservice. Then even an unsuccessful development will make sense — the money spent on it can be considered as payment for the knowledge gained that the given direction is wrong (i.e., it is not wasted money for which someone should be punished)

Flexible financing becomes an important prerequisite for the self-organisation of a company's operations, as it allows for experimentation. It can be said that the turquoise management style is implicitly penetrating Russian companies along with the process of digital transformation and flexible ways of organising operations.

THE HUMAN FACTOR AND THE SOCIO-POLITICAL IMPLICATIONS OF THE TRANSITION TO NEW FORMS OF SELF-ORGANISATION

The digital transformation of the economy is spreading like an epidemic. Technology is helping to automate manual work or

hand it over to the customer. The freed-up human resources can be used to develop new technological services, which, in turn, help to remove routine work from the day-to-day work of the organisation's employees and their partners. Thus, the proportion of intellectual activity in the company is increasing, and at an accelerated pace. This leads to both the need to implement the agile management systems described above and the transfer of decision-making responsibility to lower levels of management, as well as greater freedom for the employee from the employer.

The digital age destroys the necessary basis for the exploitation of labour when the employee is forced to accept the conditions of work offered, because without the means of production belonging to the employer, he or she cannot earn his or her own money. In the case of intellectual activity, the main means of production are the employee's competencies, owned by the employee even if they come from corporate training. The modern employer, in addition to the compensation package, is forced to provide his creative employees with comfortable working conditions, attracting them to his company. But today, especially after the massive take-up of distance technology during the pandemic, people can create their own environment for creativity through electronic communications, co-working spaces, equipment leasing and software on a time-share basis. And it's shaping a new employer-employee relationship.

Until recently, freelancing in the enterprise was only used for one-off tasks for which it was a pity to spend one's own resources. Today, the situation is changing dramatically: an employee hired on a temporary basis and located in another city is working on the same projects as full-time employees. Freelancing is becoming a significant element of the new economy, which is often referred to as the "gig economy" (Gig — an engagement for guest

artists). And Russia is among the leaders here: while in 2014 the number of freelancers was only 3 million people,⁸ then in 2020 (according to PwC⁹) there were 14 million (by comparison, in the U.S. — 56.7 million, in Canada — 2.9 million, in India — 15 million). At the same time, Russia is among the top ten countries where the growth rate of freelancing exceeds 25%. That is, there are good positions for the reform and self-organization of business. Unlike a regular employee, a freelancer easily switches from one task to another, is more independent, "requires" less overheads, etc.

At the end of the first decade of this century, one of the tools for finding additional ideas and resources in the world was the use of crowdsourcing, an alternative to freelancing. It involves involving either outsiders or company employees in generating ideas, implementing innovations, or executing any projects without any contractual relationship. Innovations achieved through outsourcing are called "open innovation" (a term coined by University of California professor Henry Chesbro [23]). The notion of "crowdsourcing" was first used by journalist D. Howe when describing Innocentive.com, a portal working on open innovation technology. In case when only employees of the organisation work on problems, special platforms are often used, the so-called "Idea Management" systems, which are also widespread in the world.

The need for rapid transformation using digital technologies implies not only the flexibility of management and adaptability of information systems, but also certain qualities of personality of employees directly involved in the change of the organization. Conversely, employees engaged in creative activities,

⁸ URL: <https://blog.kwork.ru/rynok-frilansa/frilans-2021-itogigoda-i-prognoz-na-2022>

⁹ "Trust Technologies" website. URL: https://www.pwc.ru/ru/publications/freelance-platform/pwc_freelance_market_research_final.pdf (accessed on: 02.03.2022).

on whom the success of a company's digital transformation depends, require special treatment [24]. Such requirements constitute the so-called subject-oriented (or human-oriented) approach to the management of the organization and to the creation of its information environment [25], which implies the observance of certain principles [26].

One of them is that management is not built around the manager, as it was in the pre-digital era, but around the employee, on whom the success of innovation depends. It used to be that the main task of a company's information system was to generate the business process data needed for management decision-making. Today, in cutting-edge companies, the responsibility for implementing innovation lies with middle managers, and it is for them that the information environment is built: they are allowed to have personal email accounts and calendars, communicate with colleagues via social networks, use their own analysis tools, and so on. Moreover, it is the innovation employee who is now shaping the requirements for the company's information system and process development. Among the key trends for 2021 (part of the so-called Hype cycle¹⁰) "Gartner" company highlights such subject-oriented management technologies as WEM (Workforce engagement management) and VOE (Voice of the Employee) meaning they take into consideration the employees' opinions. [27].

Another principle of this approach is "free entry" and "free exit" of the employee, i.e., it is assumed that anyone who joins the company has the right to use his/her own information resources to improve its performance, but when leaving it, he/she can keep those resources that are not the exclusive property of

the organisation he/she is leaving. This is one of the most difficult postulates to implement and needs to be enshrined as an ethical norm. Unfortunately, in Russia corporate culture tends to be very poorly protected by internal regulations and this principle is implemented de facto, often causing disputes and even litigation.

Creative employees, like freelancers, are far more free-spirited and independent than ordinary employees, which forces leaders of organizations (at least those in the digital transformation stage) to treat both of these categories of workers as partners rather than as employees for hire. This approach has long been accepted in consulting but is now increasingly used in digital companies and even banks. Partnership requires equality – this is what the above principles declare. In Russia, this kind of relationship with employees is almost completely absent in large companies, especially those with state participation.

One of the important personality traits required for successful organizational transformation activities is now becoming emotional intelligence [28], which is both a tool for improving teamwork efficiency and one of the important competencies of a managerial leader. The relationship between sales success and emotional intelligence has been demonstrated in [29] using the example of the Russian pharmaceutical industry, an indirect evidence of its importance is the increasing demand for professional development programs in this area. To some extent, emotional intelligence can be considered a turquoise version of leadership skills, and the interest in it is indicative of the attention to the challenges of self-organization in the economy.

Due to the fact that the number of decision-making and leadership professionals in organisations increases significantly, it

¹⁰ The Hype cycle used by Gartner Company is a tool for visualising technology trends. URL: <https://www.gartner.com/en/research/methodologies/gartner-hype-cycle> (accessed on: 27.10.2022).

would seem that public involvement in self-governance should also become more active. So far, however, this is not happening. Interesting research is carried out at the regional level in the Vologda Scientific Center of the Russian Academy of Sciences — in particular, the authors of [30] studied the potential of civic participation in public self-governance in the territories of the Vologda and Pskov oblasts, as well as in the Republic of Karelia. It was shown that the level of involvement of the population is low, and, moreover, it is not related to the standard of living (as it was assumed before the study). The authors concluded that there is “a correlation between participation rates and the level of institutional trust” [30, p. 101], and it is reciprocal: not only the authorities should establish trust with the population, but they should form such a trusting environment by becoming partners of the authorities. It is the lack of trust that prevents the full potential of civic participation.

The quality of the trustful environment can be measured by the level of involvement in chariTable activities — this has been studied by the centre mentioned above in the same regions [31]. Russia is in the top ten outsider countries in terms of helping strangers, volunteering, and donations, with a cumulative involvement rate of 21%. The figures are even lower in countries such as: China, Greece, Lithuania, Bulgaria, etc. (by comparison, in the USA — 58%, in Canada — 55%, in Indonesia — 50%). According to Volgograd scientists [30], this level of chariTable activity is largely due to inherent paternalistic sentiments in our society and, again, mistrust in official organizations from this sphere and the authorities. Apparently, low activity in charity and little interest in participation in self-governance are similar to the passivity of the population in crowdsourcing projects.

However, despite the lack of activity noted in the research, there are changes due to the growing share of intellectual activity: the “creative class” is poorly involved in self-government, charity, and crowdsourcing, but is socialising quite well within various informal industry associations and organisations. According to Rosstat,¹¹ about 90,000 public organisations were registered in Russia at the end of 2019¹² — which is almost as many as non-profit organisations. Given that the number of their employees is roughly equal to their number, it can be concluded that they perform the role of organisers of public activities, with only managers or technical staff employed in them. At the same time, the number of citizens participating in various creative unions (trade unions are not included here) and communities of interest is 3.4 times more than those participating in religious organizations, and 3.3 times more than those employed in local self-government (through public organizations).

The digital age, thanks to the rapid development of communications, is leading to the growth of associations based on professional interests. This is also facilitated by social networks that allow the implementation of different community formats. One of the most promising forms of association based on professional interest is becoming expert networks [32]. According to Gartner Company [33], by 2025 clients will pay a freelance expert to solve 75% of their problems, and organizations, accordingly, should strive to create a network uniting such professionals, paying attention to the legal implications of this process.

The work of modern expert networks with collaboration is based on the competence metric, where each specialist has their own

¹¹ Federal State Statistics Service. Russia in Figures. Moscow: Rosstat; 2020. 550 p.

¹² No new data has been published as of mid-2022.

unique competences and their participation in a particular project is driven by the need for them in implementing the task. In the future, such networks will not only be one of the important subjects of economic activity; they will also perform their functions for the public administration (from the municipal to the federal level), supporting the institutions of self-government. Here our country has a good chance to become a leader, since the creation of expert networks with collaboration, embedded in the economic activities of enterprises and organisations, is still only beginning to be implemented in developed countries.

And it is precisely Russia's characteristics — the predominance of freelancing over crowdsourcing, good experience with agile design and development systems, turquoise management, and the use of sociocratic tools — that can play a positive role in this.

CONCLUSIONS

This paper examines the specifics of Russian practices of flexible management systems in

organisations. The author shows that domestic companies rarely implement turquoise practices in their rigid version, focusing rather on general ideas of employee sensitivity and flexible hierarchies. One could say that our country is in the global trend in terms of using turquoise and sociocratic methods based on partnership relations. Practices of flexible project management, development methods and investment mechanisms are also not badly mastered by Russian companies. A peculiarity is that freelancing as a form of outsourcing third-party resources is more developed than crowdsourcing. This is due to less public trust in business. This is why Russia is far from being a leader in involving citizens in charitable activities and local government. However, this peculiarity has a positive feature — a stricter attitude to the use of external human resources gives our country a chance to become one of the first in using expert networks, which will become an important element of the economy and social policy in the future.

ACKNOWLEDGEMENTS

The paper has been prepared based on the results of research carried out at the expense of budgetary funds under the state assignment to the Financial University.

REFERENCES

1. Vargas-Hernandez J.G., Gonzalez D.C. The discussion on stakeholders in contrast with the shareholders theory: Reconciliation to a conscious capitalism. *SAMVAD: International Journal of Management*. 2017;14:55–57. DOI: 10.53739/samvad/2017/v14/117199
2. Murphy M.J., Smolarski J.M. Religion and CSR: An Islamic “political” model of corporate governance. *Business & Society*. 2020;59(5):823–854. DOI: 10.1177/0007650317749222
3. Slavin B. Convergence of architectures of social and corporate information environment of a person. *Biznes-informatika = Business Informatics*. 2012;(2):3–9. (In Russ.).
4. Malmelin N., Villi M. Media work in change: Understanding the role of media professionals in times of digital transformation and convergence. *Sociology Compass*. 2017;11(7): e12494. DOI: 10.1111/soc4.12494
5. Secchi D. Editorial: Within and around organizational behavior. *International Journal of Organization Theory & Behavior*. 2021;24(1):1–5. DOI: 10.1108/IJOTB-03–2021–152
6. Laloux F. Reinventing organizations: A guide to creating organizations inspired by the next stage of human consciousness. Millis, MA: Nelson Parker Publishing; 2014. 378 p. (Russ. ed.: Laloux F. Otkryvaya organizatsii budushchego. Moscow: Mann, Ivanov and Ferber; 2016. 432 p.).

7. Robertson B.J. Holacracy: The new management system for a rapidly changing world. New York: Henry Holt and Co., LLC; 2015. 238 p. (Russ. ed.: Robertson B.J. Kholakratiya. Revolyutsionnyi podkhod v menedzhmente. Moscow: Bombora; 2018. 256 p.).
8. Ershov A.N., Salatova A.A. Organizational management in the 21st century: From sociocracy to holacracy. *Kazanskii sotsial'no-gumanitarnyi vestnik = The Kazan Socially-Humanitarian Bulletin*. 2019;(6):18–23. (In Russ.) DOI: 10.24153/2079–5912–2019–10–6–18–23
9. Bockelbrink B., Priest J., David L. A practical guide for evolving Agile and resilient organizations with sociocracy 3.0. 2022. URL: https://sociocracy30.org/_res/practical-guide/S3-practical-guide.pdf
10. Shchepin E. VkusVill: How to make a revolution in retail by doing everything wrong. Moscow: Alpina Publisher; 2019. 210 p. (In Russ.).
11. Deming W.E. The new economics: For industry, government, education. Cambridge, MA: The MIT Press; 2000. 266 p. (Russ. ed.: Deming E. Menedzhment novogo vremeni: prostye mekhanizmy, vedushchie k rostu, innovatsiyam i dominirovaniyu na rynke. Moscow: Alpina Publisher; 2019. 220 p.).
12. Gibson J.W., Tesone D.V. Management fads: Emergence, evolution, and implications for managers. *The Academy of Management Executive*. 2001;15(4):122–133. DOI: 10.5465/AME.2001.5898744
13. Bruccoli M., Riccobono F. Management by objective enhances innovation behavior: An exploratory study in global management consulting. *Knowledge and Process Management: The Journal of Corporate Transformation*. 2018;25(3):180–192. DOI: 10.1002/kpm.1577
14. Tapscott D. The digital economy: Promise and peril in the age of networked intelligence. 20th ed. New York: McGraw-Hill Education; 2014. 414 p.
15. Gilb T. Evolutionary development. *ACM SIGSOFT Software Engineering Notes*. 1981;6(2). DOI: 10.1145/1010865.1010868
16. Boehm B., Lane J., Koolmanojwong S., Turner R. The incremental commitment spiral model: Principles and practices for successful systems and software. Upper Saddle River, NJ: Addison-Wesley Professional; 2014. 332 p.
17. Adamskaya L. Methods of flexible personnel management — Agile. *Samoupravlenie*. 2018(4):26–30. (In Russ.).
18. Danilenko L.V. Agile principles and modern education. *Sakhalinskoe obrazovanie XXI vek*. 2019;(1):8–13. (In Russ.).
19. Demchenko M.V. Agile marketing management. *Marketingovyie kommunikatsii*. 2016;(6):326–334. (In Russ.).
20. Akimenko S.A., Barlit D.S., Pavlov A. Yu. Using Agile methods in enterprise management. *NovaInfo.Ru*. 2018;1(87):88–92. (In Russ.).
21. Parkes A. Lean management genesis. *Management*. 2015;19(2):106–121. DOI: 10.1515/manment-2015–0015
22. Anshina M., Slavin B., White T. Digital transformation of business. Moscow: KnoRus; 2021. 272 p. (In Russ.).
23. Chesbrough H.W. Open innovation: The new imperative for creating and profiting from technology. Boston, MA: Harvard Business School Press; 2003. 227 p.
24. Green P.I., Jr., Finkel E.J., Fitzsimons G.M., Gino F. The energizing nature of work engagement: Toward a new need-based theory of work motivation. *Research in Organizational Behavior*. 2017;37:1–18. DOI: 10.1016/j.riob.2017.10.007
25. Slavin B.B. From computing information systems to human-oriented ones. *Sovremennye informatsionnye tekhnologii i IT-obrazovanie = Modern Information Technologies and IT-Education*. 2017;13(3):176–184. (In Russ.). DOI: 10.25559/SITITO.2017.3.632
26. Slavin B. Principles of development of human-oriented information systems in enterprises. In: Proc. 12th Central & Eastern European software engineering conference in Russia (CEE-SECR'16). (Moscow, October 28–29, 2016). New York: Association for Computing Machinery; 2016:4. DOI: 10.1145/3022211.3022215

27. Gupta A. 5 Key trends from 2021's hype cycle for customer service and support technologies. Gartner. Sept. 28, 2021. URL: <https://www.gartner.com/en/articles/5-key-trends-from-2021-s-hype-cycle-for-customer-service-and-support-technologies> (accessed on 05.10.2021).
28. Goleman D. Working with emotional intelligence. New York: Bantam Books; 2011. 400 p. (Russ. ed.: Goleman D. Emotsional'nyi intellekt v biznese. Moscow: Mann, Ivanov and Ferber; 2013. 512 p.).
29. Khlebnikova L.N., Rommel A.M. Emotional intelligence as an effective resource for increasing profitability of business in Russia. *Gumanitarnye, sotsial'no-ekonomicheskie i obshchestvennye nauki = Humanities, Social-Economic and Social Sciences*. 2019;(6):181–184. (In Russ.). DOI: 10.23672/SAE.2019.6.32963
30. Ukhanova Yu.V. Collective practices and potential for civic participation of local community (sociological research in Russian regions). *Problemy razvitiya territorii = Problems of Territory's Development*. 2021;25(1):88–107. (In Russ.). DOI: 10.15838/ptd.2021.1.111.5
31. Ukhanova Yu.V., Leon D., Schelwald R. S. Charity work of local community: Results of the sociological research in the Russian region. *Economic and Social Changes: Facts, Trends, Forecast*. 2021;14(1):169–185. DOI: 10.15838/esc.2021.1.73.12 (In Russ.: *Ekonomicheskie i sotsial'nye peremeny: fakty, tendentsii, prognoz*. 2021;14(1):169–185. DOI: 10.15838/esc.2021.1.73.12)
32. Slavin B. Modern expert networks. *Otkrytye sistemy. SUBD= The Open Systems Journal. DBMS*. 2014;(7):30–33. (In Russ.).
33. Panetta K. Gartner top 10 strategic predictions for 2021 and beyond. Gartner. Oct. 21, 2020. URL: <https://www.gartner.com/smarterwithgartner/gartner-top-10-strategic-predictions-for-2021-and-beyond> (accessed on 05.10.2021).

ABOUT THE AUTHOR



Boris B. Slavin — Dr. Sci. (Econ.), Professor of the Department of Business Informatics, Financial University, Moscow, Russia
 bbslavin@gmail.com
<https://orcid.org/0000-0003-3465-0311>

Conflicts of Interest Statement: The author has no conflicts of interest to declare.

The article was submitted on 05.07.2022; revised on 02.10.2022 and accepted for publication on 31.10.2022.

The author read and approved the final version of the manuscript.