FOCUSED, RESPONSIBLE, HARD WORKING, RELIABLE, COMPETENT

WANTED

EDUCATION AND HUMAN RESOURCES FOR THE REGION’S ECONOMY

EDUCATION:
KEY PRINCIPLES OF STAFF TRAINING / Page 2

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The issue of staff training has been and will continue to remain a key issue not only for our region, but for Russia in general. Considering production growth and the consequences of the demographic decline in the 1990s, properly trained staff is becoming a strategic resource. Education in Kaluga Region is undergoing a qualitative transformation, new educational centers are established, and new specializations needed by the labor market are introduced at existing universities and secondary professional training institutions. Selection, training and education of the future workforce for Kaluga’s enterprises is one of the top priorities of Kaluga Region’s administration, ensuring, in the long run, the well-being and sustainable development of the region and country overall.

209 311 people aged under 21 live in Kaluga Region

2719 children born in 1 quarter of 2014, 5% more than in the same period of 2013
Kaluga Region: Education and Human Resources

**Major Higher Education Institutions**

- K.E. Tsiolkovsky Kaluga State University: tksu.ru
- Obninsk Institute for Nuclear Power Engineering — branch of the Moscow Engineering Physics Institute: iate.obninsk.ru
- Kaluga Branch of the N.E. Bauman Moscow State Technical University: bmstu-kaluga.ru

**Vocational Education**

- 38 facilities for primary and secondary vocational education
- 80 specializations and fields of study
- 390 schools in Kaluga Region
- 103 educational facilities for gifted children
- 85,606 children study in schools
- 16,360 students getting vocational education
- 5,216 people became students in 2014

**Higher Education**

- 28,587 students getting higher education
- 22 higher education institutions
- 70,000 children attend extracurricular classes
- 4,500 clubs creative and athletic

**The Most Wanted Specializations**

- Mechatronics and robotics
- Information systems and technologies
- Medical care
- Medical physics
- Clinical psychology
- Technosphere safety
- Biomedical safety
- Pharmaceutical chemistry

**The Most Wanted Fields of Study**

- Transportation
- Metallurgy, engineering, metalworking
- Computer science and engineering
- Healthcare
- Construction
- Services
The new economy calls for new approaches to human resource potential development. The region is actively building automotive, pharmaceutical, transport and logistics, agricultural, IT and tourism clusters. The multilayer economy of Kaluga Region (from assembly plants to high tech production facilities) defines a special vector for specialist training. The solution of the human resource issue depends largely on how well the educational system’s market targets match regional economic priorities. Satisfaction of demand for specific specializations without consideration of objective requirements of regional development results in serious disproportions on the human resource market, elimination of which is much more costly than training of demanded specialists.

The human resource issue can only be resolved by creating a comprehensive system of specialist reproduction, the foundation for which should be formed by a mutually beneficial partnership of the authorities, businesses and educational institutions. In the context of today’s realities, education is increasingly considered a necessary precondition and principal resource for further successful social and economic development. That is why today the modernization of the system of professional education, improvement of its quality and economic efficiency, creation of multi-profile educational institutions, introduction of relevant specializations are the principal directions in the ministry’s activities.

One of the vivid examples of implementation of the above directions is the operation of the center for training and retraining of automotive industry specialists established on the basis of the Kaluga College of Information Technologies and Management. The center already trains specialists for dozens of companies. Its distinctive feature is the dual training system, i.e. when a student acquires theoretical knowledge at the center’s auditoriums and practical skills at a plant. This is more than a series of field trips; it is a proper educational process. Each group is assigned a dedicated mentor at the plant. Already at the early stages of training, students sign agreements with the employer, under which they are provided uniforms, additional meals and an additional monthly allowance.

We are currently introducing similar systems of training at the majority of the region’s educational establishments. Thus, we are continuing work on creating an agricultural resource training center at the Governor’s Agricultural College in Detchino. Another center is created for Kaluga Region’s pharmaceutical cluster, which will bring together specialized professional education facilities, scientific educational centers and advanced pharmaceutical and medical companies.

Special attention is given to reproducing this experience in the sphere of higher vocational education. This year was the first when the dual system of training was introduced at the higher education level. It was implemented by the Kaluga Branch of the N.E. Bauman Moscow State Technical University (MSTU) in cooperation with the automotive industry staff training center and Volkswagen Group.
POLICY

IT IS IMPORTANT THAT TODAY VIRTUALLY ALL EDUCATIONAL INSTITUTIONS ACCEPT STUDENTS IN STRICT COMPLIANCE WITH LABOR MARKET REQUIREMENTS

OOD. Students mastering mechatronics and auto mechatronics get training not only in auditorium, but at the plant as well.

Development of the vocational guidance system is another issue we focus on. An example: today the region is experiencing an acute deficit of specialists in technical engineering, high qualification workers for processing plants. We are aware of these problems and are implementing comprehensive measures to resolve them. The Ministry of Education is applying broad efforts in the field of vocational guidance; it’s great to note that these efforts are actively supported by enterprises working for the future. And these are not just investment plants. Kaluga Engine OAO has been organizing placements for students of the MSTU Kaluga Branch for more than five years now. If a student signs a future employment agreement with the plant, he gets an additional monthly allowance. KTZ OAO also collaborates with a number of specialized higher and secondary education institutions. For college students, it organizes industrial training at the plant’s workshops, for which the students get paid. Senior students of higher educational institutions have the opportunity to get part-time employment.

It is important that today virtually all educational institutions accept students in strict compliance with labor market requirements. Last year almost a third of Kaluga’s graduates got requested specializations. With an understanding that successful development of the economy directly depends on the level and quality of education, we plan to investigate the possibility of introducing financial and economic mechanisms to support enterprises collaborating with vocational education establishments. We believe that this will serve as an additional incentive for businesses to develop a universal system for evaluating professional competencies of graduates, and to create a system of training, placement and retraining for masters of industrial training. The above measures should result in the adaptation of the resource training system to the needs of the region’s innovative economy.
PERSONALIZED PROFESSIONAL EDUCATION

THE KEY PRINCIPLE OF THE STAFF TRAINING SYSTEM

THE AUTOMOTIVE INDUSTRY

- Kaluga Branch of the N.E. Bauman Moscow State Technical University (MSTU)
- Kaluga Branch of the St. Petersburg University of Service and Economics
- Kaluga College of Information Technologies and Management
- Kaluga Polytechnic College
- A.T. Karpov Kaluga Transport and Technological Technical School
- Center for Training and Retraining of Automotive Industry Specialists

CONSTRUCTION AND ENERGY-EFFICIENT TECHNOLOGIES

- Obninsk Institute for Nuclear Power Engineering – branch of the Moscow Engineering Physics Institute (MEPhI)
- Kaluga Branch of the N.E. Bauman Moscow State Technical University
- Kaluga branch of the Moscow State University of Lines of Communication
- Utility Construction Technical School
- Professional College No.3

PHARMACEUTICAL INDUSTRY

- Obninsk Institute for Nuclear Power Engineering – branch of MEPhI
- K.E. Tsiolkovsky Kaluga State University
- Kaluga Basic Medical College
- Center for Training and Retraining of Pharmaceutical Industry Specialists

AGRICULTURE

- Kaluga branch of the Russian State Agrarian University of the K.A. Timiryazev Moscow Agricultural Academy
- Kaluga Agricultural College
- College of Mechanization and Service in Zhukov
- Yermolino Technical College
«We are forming a workforce development system that is adequate to today’s challenges. The state assignment to all vocational education establishments is based solely on employer requests.»

Alexander ANIKEYEV, Minister of Education and Science of Kaluga Region
Maxim KAZAK, Rector of the K.E. Tsiolkovsky Kaluga State University, candidate of historical sciences

In May 2010, the university dropped the "P" from its name, transforming from a pedagogical university to a classical one – KSU. What changed with this transition?

— First of all, we are now facing higher demands. Times higher. The Ministry of Education has become harder on us, but at the same time we got a number of advantages. The main one is why we started the transition in the first place – we got the opportunity to introduce new specializations that are demanded by the modern market. Thus, in 2012-2013 alone, we launched 14 new specializations and fields of study. This is a serious impulse for internal development. Also, the management team at the RF Ministry of Education changed in 2011. The new team introduced new game rules, including the state assignment. For example, financing now directly depends on the number of students. This motivated us to begin a staff reform – we needed to align the number of students and teachers. This process in now coming to its end, and we now have a logical and economically viable structure. And, of course, we are modernizing. In the past three years we invested RUR 350 million in repairs and construction. And that does not include the construction of a new building, which cost another RUR 1.5 billion. The university must become the consolidating center for scientific, cultural and social life. And we’re getting there.

— To what extent does education in a classical university comply with the demands of the labor market? Do you collaborate with new companies?

— There is really no such concept as a classical university. We only use the term for convenience. Today a lot depends on the university itself, and for me the idea of reorganization was the logical consequence of the change in the region’s status, which became an economic leader. A pedagogical university would have been unable to introduce the wide range of specializations that today’s economy needs. Now we can offer new fields of study, new forms of teaching, etc. We have introduced new specializations, which include chemistry, customs, medical care, information systems and others. We are actively cooperating with the Obninsk Active Molecules Park; our students get field training at pharmaceutical companies, hospitals. And, of course, we are still the monopolist in training teachers. Our graduates are not just specialists for the region’s companies; they are well educated, talented young people that form the business environment, our social and political culture.

— New specializations require new teachers. How did you resolve this problem?

— There was no problem with theory, but we did need more practical training. So we began recruiting specialists with practical experience. After all, doctors should get their education at hospitals, teachers – at schools, lawyers – at governmental agencies, etc. We are making a stake on practice based education. Ideally, the balance between theory and practice should be 50-50. What we have now is around 65-35.

— But a specialist is not necessarily a teacher.

— True. That is why we organize special pedagogical seminars for them, where they learn to lecture.

— The enrollment period began on June 20. How many students are you ready to accept? How many budget positions are there? Is the competition getting more serious?

— Despite the fact that the requirements for enrollment have gotten stricter, the number of first year students grows each year. In 2013, we accepted 1100 students, and this year we will try to accept 1500, half of which will be studying for free. As of July 1, we got 2000 applications. That is 500 more than last year.

— What is your assessment of the knowledge level of today’s applicants?

— I think the intellectual level is growing. Literacy problems do exist, but I think the Internet is to blame for that, not schools.

— Does the university help its graduates find employment?

— We have our own job center. We offer students vacancies for all fields of study. Of course, not all graduates get jobs matching their specializations, but the percentage is very high.

— What targets are you setting for KSU?

— The priority is to complete construction of our campus. The new dormitory will allow us to accept more students and to participate in international exchange programs. Our main objective is to comply with the region’s development level. In 5 years, KSU must become a leader among regional universities of our type. And our long-term ambition is to acquire a status of a national research university.
**HUMAN RESOURCES:**

**INTERNATIONAL SCHOOL GETS CAMBRIDGE STATUS**

The new status makes Kaluga’s international school part of the global Cambridge school community, which currently includes 9000 schools in 160 countries. The school in Kaluga now has the right to offer Cambridge qualifications, including international exams – Cambridge Checkpoint, Cambridge IGCSE and Cambridge A-Levels. Education programs are offered to students aged 5 to 19. Diplomas and certificates issued by Cambridge International Examinations, a global leader in education, are recognized and valued by universities and employers worldwide. The Cambridge International School status will allow the school in Kaluga not only to provide the best education, but also to train teachers and organize courses. Paul Michael Keane, the principal of the Kaluga International School says that cooperation with Cambridge International School will bring benefits to each student and raise the prestige of Kaluga’s educational system.

**TRAINING CENTER FOR COMMUNICATIONS SPECIALISTS OPENS IN KALUGA**

The first dedicated center for training of communications specialists for the interior troops of the Russian Ministry of Internal Affairs is located in a modern military camp not far from Kaluga’s Pravoberezhye micro-district. It has the most advanced stationary and mobile equipment and the capacity to simultaneously train more than 700 soldiers. The three-month program of combat and special training covers various specializations. The center provides facilities for training and retraining of draftees and contract soldiers in radio, line and line radio communications. The new complex offers a high level of communications training not only for interior troops, but for other law enforcement structures as well. It also provides opportunities for Kaluga’s military industrial complex enterprises as a partner for testing and implementing their technical innovations.

**TARGETED TRAINING OF IT TECHNOLOGISTS WILL GET SUPPORT**

Kaluga Region will get an additional RUR 13 million from the federal budget. This is the result of a competition among Russian constituent subjects organized by the Ministry of Communications and Mass Media of the Russian Federation. The funds will be spent on the regional program entitled “Information Society and Improvement of the Quality of State and Municipal Services” – primarily, on creating and equipping of multifunctional centers. Speaking about targeted training of future IT technologists, Nikolai Liubimov, the governor’s chief of staff, said that the region was interested in such specialists and that their training should begin at school level. In view of this, the regional ministry of education and science and the ministry for development of the information society were assigned to develop relevant programs to support talented youngsters.
EVENT DIGEST

STAFF FOR RUSSIAN AVIATION WILL BE TRAINED IN KALUGA REGION

During its official visit to Austria, the Russian delegation headed by RF President Vladimir Putin negotiated important agreements and signed a number of contracts with high significance for the Russian economy. Thus, Kaluga Region’s Governor Anatoly Artamonov, the Rector of the N.E. Bauman Moscow State Technical University Anatoly Alexandrov and the President of Austria’s FREQUENTIS AG Hannes Bardach signed an agreement on the creation of a joint aviation engineering and training center. The document provides for the introduction of innovative projects and enhancement of qualifications of specialists in the aviation industry. The center will be established in Kaluga Region in accordance with the RF government regulation “Measures of State Support for Cooperation of Russian Higher Education Institutions and Organizations for Implementation of Complex Projects for High Tech Production”.

VOLKSWAGEN GROUP RUS LAUNCHES A NEW TRAINING CENTER

The opening of the new paint production training center worth EUR 220,000 is yet another step in the development of Kaluga’s automotive plant. Andreas Klar, Director of Volkswagen Group Rus, underlined that the amount was an investment in the future. By spending money on education, the auto concern improves the level of its employee competence and, therefore, the quality of cars manufactured at the Kaluga plant. The new center has the most advanced equipment and is the fourth training complex at the company’s plant in Kaluga. The bodyworks, assembly and production efficiency centers were launched in 2009-2011. The main purpose of the training centers is to bring the training and production processes as close as possible. The program of dual training introduced by Volkswagen Group Rus and the Kaluga College of Information Technologies has set an example for Russia’s educational organizations. Since 2010, the college has been training specialists in mechatronics and auto mechatronics: students master disciplines required by both Russian and German educational standards. Today, students get knowledge and gain production competencies in seven specializations. In 2013, a new specialization of “metalwork mechanic” was introduced to satisfy the needs of the future engine plant. Training is organized in cooperation with the Kaluga State Engineering College.

KALUGA REGION BECOMES PILOT AGAIN

The region will be implementing an educational project to train specialists for the region’s social and economic development. In a competition organized by the RF Ministry of Education and Science, Kaluga Region was included in the list of winning regions for the project entitled “Workforce Training for 2014-2019”. The project’s aim is to optimize the educational system by introducing elements of dual training. The workforce training project will be implemented in several stages over a five year period. The best practices will be introduced nationwide. Implementation of the project is intended to fully update and modernize the regional system of vocational education by 2020.
HUMAN RESOURCES: EVENT DIGEST

ROBOTS WILL DO THE TEACHING

The Kaluga Center for Training of Automotive Industry Specialists has opened the doors of its own robotics laboratory. The need for its creation comes from rapid development of automation and introduction of robotic lines at the region’s automotive plants. The laboratory was designed and assembled at the initiative and with the participation of specialists from the Kaluga plant of the Peugeot-Citroen-Mitsubishi alliance. The new training site occupies 150 m² and will be used to teach specialists how to program robots – specifically, for modeling and implementing of various production tasks with the help of robots. At the opening ceremony, speakers emphasized that the event was yet another example of efficient cooperation between business and education targeting to resolve the important issue of supplying the region’s economy with high qualification specialists.

KAZAN TO TRAIN SPECIALISTS FOR KALUGA’S PHARMACEUTICAL COMPANIES

Non-profit partnership Kaluga Pharmaceutical Cluster and the Kazan (Volga) Federal University have reached an agreement on cooperation. The document was signed in the presence of Rustam Minikhanov, President of Tatarstan Republic, by the Executive Director of Kaluga Pharmaceutical Cluster Konstantin Balakin and the Rector of the Kazan Federal University Ilshat Gafurov. The agreement covers three principal cooperation directions – development of joint educational programs, scientific research and development of innovative (bio)pharmaceutical technologies and assistance in development of specialized small and medium businesses in Tatarstan and Kaluga Region. Under the agreement, enterprises from the cluster will get opportunities for specialized staff training, access to Kazan University’s databases of pharmaceutical innovations and the possibility of shared use and implementation of scientific developments and technologies in production. In September 2014, a delegation from the institute of basic medicine and biology of the Kazan Federal University will visit Kaluga Region to participate in a science conference. The delegates’ program also includes visits to pharmaceutical companies based in Obninsk.

REPRESENTATIVES OF GERMANY’S LEADING TECHNICAL UNIVERSITY VISIT KALUGA

The delegation from Rheine-Westphalia Technical University came to Kaluga to discuss opportunities for cooperation in the field of workforce training. Specifically, the development of a joint program for supplying Kaluga Region’s transport and logistics cluster with qualified personnel. Development of the transport and logistics cluster is the region’s strategic priority: two of its international airports are currently undergoing reconstructions, and the country’s biggest “freight villages” have been created here. The issue of training of logistics specialists is highly relevant for the region. As for Rheine-Westphalia Technical University, it focuses its activities on satisfying demands of various industries. Germany’s biggest university develops new educational standards, including programs for training of specialists for the transport and logistics segment.
### Key Employment Criteria

#### Regional Experience*

<table>
<thead>
<tr>
<th>Age</th>
<th>under 30</th>
<th>30-40</th>
<th>40-50</th>
<th>over 50</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>24 %</td>
<td>31 %</td>
<td>26 %</td>
<td>19 %</td>
</tr>
</tbody>
</table>

#### Education

- **Higher**
- **Incomplete Higher**
- **Secondary Vocational**
- **Secondary**

<table>
<thead>
<tr>
<th>Education</th>
<th>Higher</th>
<th>Incomplete Higher</th>
<th>Secondary Vocational</th>
<th>Secondary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>24 %</td>
<td>8 %</td>
<td>50 %</td>
<td>18 %</td>
</tr>
</tbody>
</table>

#### Driving License

- **B**: 40 %
- **C**: 27 %
- **D**: 5 %

#### Foreign Languages

- Mostly, English, German

<table>
<thead>
<tr>
<th>Language</th>
<th>Fluent</th>
<th>Ability to Read Documents</th>
<th>Basic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>40 %</td>
<td>20 %</td>
<td>15 %</td>
</tr>
</tbody>
</table>

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* Rating of candidate advantages based on a survey of HR managers from 50 major companies and organizations in Kaluga Region.
### Kaluga Region: Work and Salary

<table>
<thead>
<tr>
<th>Rating position</th>
<th>Sphere of activity</th>
<th>Average salary*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Car manufacturing</td>
<td>RUR 50,181</td>
</tr>
<tr>
<td>2</td>
<td>Automotive components manufacturing</td>
<td>RUR 41,360</td>
</tr>
<tr>
<td>3</td>
<td>Vehicle and equipment manufacturing</td>
<td>RUR 38,985</td>
</tr>
<tr>
<td>4</td>
<td>Research and development</td>
<td>RUR 37,971</td>
</tr>
<tr>
<td>5</td>
<td>Financial activities</td>
<td>RUR 37,650</td>
</tr>
<tr>
<td>6</td>
<td>Real estate transactions</td>
<td>RUR 32,903</td>
</tr>
<tr>
<td>7</td>
<td>Public administration and military</td>
<td>RUR 32,903</td>
</tr>
<tr>
<td>8</td>
<td>Processing plants</td>
<td>RUR 27,536</td>
</tr>
<tr>
<td>9</td>
<td>Mineral production (mining)</td>
<td>RUR 25,275</td>
</tr>
<tr>
<td>10</td>
<td>IT</td>
<td>RUR 24,500</td>
</tr>
<tr>
<td>11</td>
<td>Healthcare and associated services</td>
<td>RUR 21,565</td>
</tr>
<tr>
<td>12</td>
<td>Education</td>
<td>20,508 руб.</td>
</tr>
<tr>
<td>13</td>
<td>Construction</td>
<td>RUR 20,508</td>
</tr>
<tr>
<td>14</td>
<td>Wholesale and retail sales of goods and services</td>
<td>RUR 17,944</td>
</tr>
<tr>
<td>15</td>
<td>Recreation and entertainment, culture and sports</td>
<td>RUR 16,997</td>
</tr>
<tr>
<td>16</td>
<td>Agriculture, hunting and forestry</td>
<td>RUR 16,454</td>
</tr>
<tr>
<td>17</td>
<td>Social services</td>
<td>RUR 15,871</td>
</tr>
</tbody>
</table>

*According to the Ministry of Labor, Employment and Human Resource Policy of Kaluga Region, 1 quarter 2014.
The most valuable asset of any region is its residents. Development of any region, territory, country depends on their wellbeing. The standard of living is based, primarily, on the opportunity to work and earn money. Unfortunately, many regions still hold on to the staffing policy, in which the number of vacancies is defined by the region’s administration and not by the free market. As a result, growth rates of affected regions increasingly fall behind and their subsidized debts to the federal center increase. Kaluga Region abandoned this policy several years ago. Today, the region’s labor market is a dynamic self-regulating mechanism. Development of industrial parks and innovative plants provided a powerful boost for a new kind of human resources – well-motivated highly qualified professionals. In partnership, the regional government and the region’s leading enterprises established and launched several modern staff training centers. Today, the regional human resource policy is ready for the new stage of professional competence and achievement of global quality standards at traditional enterprises. That is why the guiding principle of the regional ministry of labor is “our human resources are the source of our pride today and of our new achievements tomorrow”.

HUMAN RESOURCES: LABOR MARKET TRENDS AND PROSPECTS
LABOR MARKET OF KALUGA REGION

TRENDS
- Growth of demand for qualified personnel
- Personnel turnover
- Return of Kaluga Region’s residents from other regions, active use of resources provided by internal migration
- More than 50% of companies maintain their staffs

PROSPECTS
- Additional social guarantees
- Targeted training and career guidance
- Retraining and qualification development of personnel
- Inflow of labor resources from other regions of Russia, increased quotas for foreign workers

SALARY INDEXING EXPECTATIONS
- Employers: 5-10%
- Applicants: 10-30%
WHAT KIND OF HUMAN RESOURCES DOES THE ECONOMY NEED?

In the past decade the regional labor market saw some serious changes. Opening of new production facilities, changes in industrial targets, modernization of traditional enterprises, and active development of the social infrastructure demanded new approaches to the staffing issue. The new philosophy behind the regional human resource policy is consolidation of efforts of authorities, businesses and educational institutions as the only means to achieve balance on the labor market.

STRUCTURE OF DEMAND AND SUPPLY

Intensive development of Kaluga Region’s economy set against the persisting trend of employable population decline results in growing employer demand for qualified staff. Thus, in 2012 the regional job center had information on 66,000 vacancies, and in 2013 their number increased to 75,000, with half concentrated around Kaluga, Obninsk and Borovsk District.

In the structure of declared demand, the biggest shares belong to vacancies of manufacturing plants (30%) and construction organizations (26%). The smallest are represented by vacancies of organizations involved in supply and distribution of electricity, gas and water (1%) and financial operations (less than 1%).

It is typical that in the overall demand structure the share of vacancies for workers continues to grow:

<table>
<thead>
<tr>
<th>Year</th>
<th>Share (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>74%</td>
</tr>
<tr>
<td>2012</td>
<td>76%</td>
</tr>
<tr>
<td>2013</td>
<td>80%</td>
</tr>
</tbody>
</table>

High demand for staff reduces the labor market stress coefficient:

<table>
<thead>
<tr>
<th>Year</th>
<th>Stress Coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>0.7</td>
</tr>
<tr>
<td>2012</td>
<td>0.5</td>
</tr>
<tr>
<td>2013</td>
<td>0.3</td>
</tr>
</tbody>
</table>

The market still experiences an acute deficit of engineers, medical workers, technologists, machine operators, locksmiths, fitters, electricians, welders, drivers, construction workers, tailors. There are hundreds of vacancies for each of these positions. Medical facilities need pediatricians, physicians and functional specialists. Among engineering workers, the most demanded are commissioning and testing engineers, construction supervisors, design engineers, technicians, mechanics, programmers, designers, electrical, electronic and power engineers, workflow automation and mechanization engineers. Construction needs 1,500 bricklayers, more than 900 cement workers, almost 700 plasterers, more than 600 fitters, more than 500 painters, nearly 500 carpenters and 400 tilers. There is a constantly high demand for drivers, mechanics, equipment engineers, turners, millers, electricians and welders.

Kaluga Region’s residents are traditionally very economically active. In 2013, our region was the third in the Central Federal District by level of employment – luckily, there are abundant jobs available for application of all sorts of knowledge and skills.

SOLVING HUMAN RESOURCE PROBLEMS

In order to efficiently solve the human resource problem, we maintain a constant dialogue with personnel departments of enterprises and actively collaborate with recruitment agencies. We use all available information resources to help the employer and potential employee find each other, including negotiations and interviews in the form of video conferences. Job and placement fairs are a regular item in the ministry’s work schedule.

Saturation of the regional labor market is also achieved by wider use of internal and external migration. We already have cooperation agreements with colleagues in 37 Russian regions. Foreigners, including citizens of former soviet republics, are another source of labor. In 2013, the quota for recruitment of foreign workers was 29,000. From the beginning of this year, more than 8,500 foreigners came to work in
Kaluga Region.

Special attention is paid to career guidance for the young generation. Our systematic work with students is carried out under the slogan “Study, work, live in Kaluga Region” and includes an annual Graduate of the Year event.

I would like to specifically emphasize the opportunities for employer sponsored studies at professional education institutions. In 2013, sponsorship was granted to one in three 11th grade graduates. This year, graduates from Kaluga Region will study at 50 Russian higher education establishments.

According to our forecasts, by 2018, a third of the region’s demand for certified specialists will be satisfied by sponsored graduates.

Some more statistics:

in the next five years the region will need 4,000 engineers, 4,500 locksmiths, 2,000 drivers, 2,000 nurses and 1,000 qualified welders. Young specialists as well as all of our compatriots planning to move to Kaluga Region are granted additional social guarantees by the regional government.

REGIONAL RECRUITMENT PROGRAMS

No doubt, the most important factor in choosing the place to work is the quality of the living environment. Having achieved high results in economic development, Kaluga Region’s government now has the ability to improve standards of living in the region. The region is implementing a number of programs aimed at ensuring decent living conditions for natives of Kaluga and those, who want to live and work in the region.

The Ministry of Labor, Employment and Human Resource Policy is implementing a range of measures targeted at delivering specialists to the labor market. One of them is the program to improve the region’s migration attractiveness. The results of the Regional Program for Support of Voluntary Resettlement to Kaluga Region are remarkable. In 2007-2013, the ministry’s specialists reviewed over 30,000 applications from potential migrants from 40 countries. Almost all compatriots that have professions demanded on the regional labor market or wish to acquire them are now residents of Kaluga Region. That is 24,500 people from 2007. From the beginning of 2014 another 3,500 compatriots came to the region, including 2,500 people of the employable age. By results of its resettlement program, Kaluga Region is the national leader.

TO STAY ONE STEP AHEAD IN THE MANAGEMENT OF THE LABOR MARKET, THE MINISTRY HAS DEVELOPED SPECIALIZED PASSPORTS FOR ALL REGIONAL MUNICIPALITIES. THESE DOCUMENTS CONTAIN INFORMATION ABOUT EACH DISTRICT’S POPULATION, ITS EMPLOYERS, VACANCIES, FORECASTS. SPECIAL SIGNIFICANCE IS ASSIGNED TO INFORMATION ABOUT POTENTIAL LABOR RESOURCES, INCLUDING INFORMATION ABOUT PEOPLE LIVING IN REMOTE LOCATIONS

5 YEAR LABOR DEMAND FORECAST

CONSISTENT GROWTH OF DEMAND FOR WORKERS

2014 – 50.8%
2018 – 55.6%

DECLINE OF THE SHARE OF SPECIALISTS WITH HIGHER EDUCATION

2014 – 23.8%
2018 – 21.1%

KALUGA REGION: EDUCATION AND HUMAN RESOURCES
There are 2700 industrial plants operating in Kaluga Region. Among them – the country’s oldest manufacturing giants and small innovative plants. In the past decade alone the region witnessed the commissioning of 68 new companies with more than 20,000 new jobs. The region’s investment portfolio includes a total of 150 agreements. According to the Ministry of Labor, Employment and Human Resource Policy, in the next three years the region will need 55,000 employees.

6100 specialists currently work for Volkswagen Group Rus. Next to its automotive plant, Volkswagen AG is building an engine production facility. The new plant will create 450 new jobs.

5000 people will work at the biggest Russian plant built by Chinese group Fuyao. The Fuyao Glass Industry Group project is worth over RUR 10 billion and is highly important for the national automotive industry. The automobile glass production company is now in the first stage of its operation and employs 309 people.

4000 employees manufacture power machinery at Russia’s oldest enterprise – the Kaluga Turbine Plant. The aggregate capacity of its power machinery supplied to 42 countries is 20GW.

3000 jobs were created by the PCMA Rus plant in Kaluga. The joint venture between PSA Peugeot Citroen (70%) and Mitsubishi Motors Corporation (30%) is one of the biggest employers in the region.
KALUGA REGION: EDUCATION AND HUMAN RESOURCES

3000 is the number of employees at Kaluga Engines OAO – the country’s only plant that manufactures gas turbine engines and power units for terrestrial use.

2095 people work at Typhoon OAO. The research and production company manufactures radars, radio-electronic systems for ships and coastal missile systems.

1000 is the number of employees at Kaluga Engines OAO – the country’s only plant that manufactures gas turbine engines and power units for terrestrial use.

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300 employees manufacture excavators for Volvo Construction Equipment, and 320 produce cabins for Volvo and Renault trucks.

1250 employees are provided with stable wages and social guarantees at NLMK-Kaluga OOO (NLMK Group), Russia’s largest iron and steel works.

1000 specialists work at the Volvo Trucks plant in Kaluga. 300 employees manufacture excavators for Volvo Construction Equipment, and 320 produce cabins for Volvo and Renault trucks.

1000 jobs were created by three Continental AG plants in Kaluga Region. The product line of Continental Kaluga, Continental Automotive Systems Rus and ContiTech includes tires, engine systems, air conditioning and power steering systems.

1200 is the staff of Samsung Electronics Rus Kaluga. The company manufactures 100% of all televisions and monitors sold in Russia, and is currently expanding its washing machine production capacity.

1000 is the number of employees at Kaluga Engines OAO – the country’s only plant that manufactures gas turbine engines and power units for terrestrial use.
KALUGA REGION – SUCCESS STORIES

I was born in Irkutsk, went to school there and got my higher education at the Irkutsk State University. Psychology, which was my specialization, still helps me a lot. I am convinced that quality education is very important because it forms the foundation for development of an individual. Experience is great, but without basic knowledge it will be very difficult to gain initial experience and even more difficult to reevaluate and structure it. I was educated at a classical state university, where the level of competence was closely monitored. We used to have regular case studies, studied communication practices, specifics of collaboration with different social groups, and developed our analytical skills. It is great that the Russian educational system is making an emphasis on quality and not the number of people with diplomas.

In my 9 years in Kaluga, I have moved up from a common specialist to department head and deputy general director. I worked hard, always doing a bit more than my job description required, and was never afraid to assume responsibility or propose new solutions. Being involved in the implementation of industrial park infrastructural projects, I discovered something new every day. There were difficulties, of course, but I could never imagine doing anything else. And then, I have never measured my professional satisfaction by career achievements.

My job is to attract new investments to the region, to execute contracts and partnership agreements. Each of these contracts means not only a new production facility and new jobs, but also another revenue line in the regional budget. It is much more pleasant for me to talk about these achievements. These may seem like big words, but today Kaluga Region is a region of opportunities. And these opportunities exist for everyone. Today’s graduates have a unique opportunity to work for globally renowned companies without leaving their region.

I often deal with recruitment specialists from our modern enterprises, and their main requirement to candidates is a sincere desire to work. Foreigners greatly value this feature in young specialists and are prepared to invest additional funds in training and qualification development. You should not be afraid to develop yourself, to search for your calling.

SUCCESS STORIES

MagistralEnergoEngineering has been successfully supplying electrical equipment and engineering solutions to industrial enterprises in Kaluga Region since 2012.

There’s no doubt that the business idea was born under the influence of Kaluga Region’s dynamic economic policy, strongly focused on developing our region’s investment attractiveness. This brought global leaders from various industry segments to the region, and considerably raised the significance of companies that provide high quality services to major plants – from industrial equipment supply and assembly to electrical installation and commissioning services.

This was the key condition of our company’s appearance. The region needed a company capable of providing these services on a high quality level, and our team includes the best specialists with modern views of the industrial world.

Gaining leadership in the client services segment is one of our principal objectives.

Our current partners are global leaders in the field of power and automation technologies, such as Rittal GmbH, Siemens, Schneider Electric, German concern Phoenix Contact and others, and it is largely due to them that we can guarantee fast delivery and high quality of supplied products.

We have already acquired a pool of happy customers: Continental, Lafarge, Rostelecom, Gestamp-Severstal-Kaluga, Fels Izvest and many others, who enjoy a consistently improving level of services provided by a team of professional and responsible employees that always invest their maximum efforts in their work!

We invite you to try out the new modern model of collaboration between the supplier and the customer that is fully focused on making joint work more efficient, convenient and pleasant!
was born in Kaluga. In 2006, I graduated from secondary school No.24 – one where most 11 graders already know what they want, where they’re going and, most importantly, understand the growth strategy. I have always been interested in natural sciences, so I went on to study at the Department of Problems of Physics and Energetics of the Moscow Institute of Physics and Technology. Its signature approach is the “PhysTech system” - when from the very start you regularly go to a “base” (a RAS institute or a profile company), which is very similar to the dual training system. I must admit that this is a very useful method: you quickly realize the level of your professional fulfillment. After getting my bachelor’s degree in applied mathematics and physics, I continued to study for a master’s degree in a more business oriented field of system analysis and management. At that time I was also working at one of Moscow’s consulting firms, where I got promoted just before starting my diploma. But despite the good prospects, in 2013 I returned to Kaluga, and am very happy to have done so. With all due respect for its history and traditions, Moscow, in my opinion, is a city for earning money, not living. Daily routines, the commuting, the hustle, steal away a lot of time. Not everyone is willing to accept that.

When I returned to my home region, I was shocked by the scale of changes: every month some new production facility is launched, life rages even in remote corners – progressive companies are being created, innovative technologies are introduced... I felt a strong need to be a part of these positive processes. The idea of creating a structure to provide comprehensive support to agricultural businesses seemed hard to implement at first. But “appetite” comes as you work: the experience of the Agency for Regional Development, profile institutions from other regions was very helpful. And most importantly, our idea for such an organization was supported by the region’s governor and minister of agriculture. I don’t know if this was an exceptional case or common practice, if the idea was so good or I was very convincing, but it would have been much more difficult to bring the Agro-Industrial Complex Development Agency to life without the support of the region’s authorities.

The agency began its work in June of last year. Our small team of just 5 managed to “relieve” farmers from all of their agro-economic issues: business planning, applying for state support, tax benefits, etc. We now supervise 30 projects. Our goal is to convince potential entrepreneurs that agricultural business can be profitable in our region’s context. And we can prove it not by mere theoretical calculations, but also by specific practical examples. The agency is gradually accumulating experience and developing an algorithm for comfortable implementation of agricultural projects. Our work has received support at the governor’s level; in spring, he signed a resolution on the agency’s independent status, which means that it is now a full-fledged development institution that will provide real support to agricultural businesses. The goals that I set for myself and now for my employees as well do not leave a single minute for leisure, but I am absolutely happy with my job. I am convinced that the region provides multiple opportunities and prospects to all those who love and can work. And, with all things being equal, our region offers the greatest opportunities for self-fulfillment.
— Our company has over 400 employees. 80% of them are residents of Kaluga and Kaluga Region. The other 20%, I think, will soon join them, i.e. will not only work, but also live in Kaluga Region, because the region’s development rate is very attractive for many professionals from other regions and constituent subjects of the Federation. Geographically, our team represents almost all car manufacturing regions – Nizhny Novgorod, Togliatti, Izhevsk, Naberezhnye Chelny and St.Petersburg, as well as the Central District, the Urals and Siberia. Most of our employees have high level professional training, but we still work to continuously improve it. In 2013 we opened a corporate production staff training center, where trainees study and practice basic production operations. I am sure that this enhances our employees’ competence. At the same time, there is the urgent matter of staff training in such professions as casting, paint application, water treatment. We need quality control specialists, production system development specialists and gear repair experts.

— The staff list of Fuyao Glass Rus OOO currently includes 309 people. The company is expanding virtually every day, so by the end of this year and beginning of next one we will be employing around 800 specialists. We understand that there is real fierce competition for staff, so Fuyao is implementing a number of social programs. The most important of them is the construction of several residential complexes for our employees. Fuyao has commissioned the project and is financing the works. There are currently 8 boarding houses in construction with a total area of 28,467 m2. I am sure this will be a good additional incentive to come work for us, especially for young specialists. The professional level of those who apply for our jobs is rather high. Our production and technical employees are trained at the Kaluga training center. In future, we plan to launch additional adaptation and career development programs for young specialists to make our company even more attractive as an employer.

— I have been working in Russia for four years and am familiar with all aspects of our company’s operation. I can confidently say that the level of professional training received by production staff is sufficiently high. This is due to efficient collaboration between PCMA Rus and the Kaluga Center for Training of Automotive Industry Specialists. Some time ago, together with French specialists, the center developed specially adapted professional training programs for employees of our company. Also, cooperation with the center allows us to promptly staff the company with personnel that has acquired practical skills in the center’s specially equipped practical training facilities and workshops.
How satisfied are the region’s residents, potential and current employees of Kaluga’s enterprises, with the new opportunities for work and career growth?

The survey was held among visitors of the Regional Development Agency website. The Internet audience was chosen by intent. It is well known that the Internet concentrates most of the negativity and criticism relating to the regional human resource policy. The results show that 79% of respondents consider the influence of “new economy” enterprises on the regional labor market generally positive. Another 21% see no change. 17% are already employed at modern enterprises, and 22% are considering this opportunity. Priority in job selection is still given to the salary level (46%), while the second place is assigned to the level of interest and opportunities for self-fulfillment (31%). A little less significance is assigned to career growth – 20%.

Thus, it is obvious that the skeptical Internet audience gives a positive evaluation to the changes on the Kaluga Region labor market. Annual growth in the number of jobs and vacancies levels out unemployment, while comfortable work conditions stimulate young specialists to sign long-term contracts.
550 NEW JOBS
were created by the Lafarge Group cement plant commissioned in May 2014. The plant was built by the French company in collaboration with Chinese builders and a Russian co-shareholder – the European Bank for Reconstruction and Development, and is the first project of its kind in Russia. The plant’s annual production capacity is 2 million tons of cement. The investment value of the project is EUR 500 million. Igor Shuvalov, First Deputy Chairman of the RF Government, said that the new Kaluga plant was a vivid example of developing international cooperation and that he hoped to see more such projects in Russia in future.

1200 PEOPLE
will get jobs at the Agro-Invest greenhouse complex in Lyudinovo special economic zone. The first stone was set in May 2014. The annual output of this major agricultural complex of the Central Federal District is 70,000 tons; the first 10,000 tons of vegetables will be produced in 2015. Project investments – RUR 13 billion. Inna Golfand, Director of Agro-Invest said that the complex would have high-tech equipment allowing it to grow up to four harvests per year. This means that the complex will be able to satisfy the region’s demand for fresh vegetables and drive imported tomatoes and cucumbers from the market.

72 SPECIALISTS
are already working at the Berlin-Pharma plant launched in May. When the plant reaches full capacity, it will employ 153 people. The 10,000 m2 facility is currently producing nearly 3 million packages of highly demanded medications per month. At full capacity, its output will reach 50 million packages per year. Berlin-Pharma is the Russian manufacturing division of Berlin-Chemie AG, a Menarini group company. So far the pharmaceutical company has invested EUR 40 million in its Kaluga project.

BY 2016, 100 JOBS
will be created at Continental Automotive Systems RUS OOO. Continental invested EUR 24 million in a new production facility launched at the Kaluga-South industrial park in June 2014. The plant will have the capacity to produce 1 million engine control units, 500,000 fuel modules and 500,000 fuel ramp system units per year. The facility has an area of 7,250 m2 and the most advanced production technologies that meet the latest standards for ecology and workplace ergonomics.

200 JOBS
were created by the new processing facility of ICM Glass Kaluga OOO – a ROSNANO OAO engineering company. The company manufactures innovative insulation materials using
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EVENT DIGEST

nano technologies. The project’s budget is RUR 1.8 billion, including RUR 1.2 billion of ROSNANO co-financing. The design capacity of the plant is 300,000 m³ of styrofoam chips and will be reached by the beginning of 2015.

100 PEOPLE have become staff employees of the new plant opened at Kaluga South industrial park. Mercator Kaluga OOO is a joint project between European concern BUCHER-Guyer AG and its Italian division Giletta S.p.a. that specializes in manufacturing of utility vehicles for road and street maintenance. The amount invested in the plant was RUR 500 million. Its design capacity is 500 product units. In 2015, the Kaluga plant plans to manufacture 1,000 vehicles for the Russian market.

110 PEOPLE work at the SP Kaluzhskoye OOO livestock complex opened in Peremyshl District in June 2014. The total area of the complex is 20 hectares. The amount invested in construction was RUR 275 million. The agricultural project will cultivate feed and grain crops, breed livestock, conduct primary processing of milk and selective works to improve herd reproduction.

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44 SPECIALISTS work at the MAHLE Aftermarket logistics center opened in June 2014. MAHLE Aftermarket is part of the MAHLE concern, a global supplier of car components and parts. The amount invested in the project was RUR 600 million. The center includes a sales office for East Europe, a technical support service and training facilities. The opening of the logistics and sales center will allow MAHLE to be closer to its customers in Russia and Belarus.

30 JOBS were created at the new Gervasi truck body plant. The total amount invested in the project was RUR 50 million. The Italian company set up its plant at the Kadi OOO facility in Kaluga. According to Francesco Gervasi, the company’s president and owner, Gervasi intends to secure positions in the Russian market and considerably expand its production already this year.

30 SPECIALISTS will work at the Kaluzhskaya Niva OOO complex opened in Ferzikovo District. The biggest Russian robotized livestock breeding complex can hold 1800 animals. The concept of the complex is to improve production efficiency by utilizing innovative technologies. Kaluzhskaya Niva is equipped with 32 milking robots supplied by global manufacturer Milone GEA Farm Technologies. The amount invested in the project was RUR 650 million.

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90 JOBS were created by the ContiTechn plant launched in July 2014. Before the end of the year, the plant will open 50 more vacancies, and in 2015 the number of its specialists will reach 160. ContiTech is the third automotive component manufacturing plant opened in Kaluga Region by Continental. The amount invested in construction was EUR 17 million. The plant will produce air conditioning and power steering systems for the national automotive industry. By the end of the year, ContiTech’s production capacity will reach 700,000 units, and in 2015 – over 1.5 million units.
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71b Suvorova Str., Kaluga, tel. +7 (4842) 906-222
info@hotel-kalugabw.ru

Welcome to BEST WESTERN Kaluga Hotel!