

EMPLOYEE PARTICIPATION IN CORPORATE CULTURE OF INTERNATIONAL BUSINESSES IN UKRAINE

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Many international companies, starting their business in Ukraine, experience difficulties in implementing employee participation principles. It reflects one of the expected problematic issues for international businesses in dealing with post-socialist Ukrainian mentality and managerial practices, while bringing empowerment across national boundaries. Differences in national cultures logically call for differences in management practices.

Key reasons why empowerment concept is not naturally applied to Ukrainian situation are defined by the following features of traditional Ukrainian companies: high power distance, hierarchical organizational structures, low level of sharing information and knowledge, lack of self-esteem, and unwillingness of employees to take a responsibility. Since socialist management approaches were applied and exercised for many decades, they still are a significant part of modern life of many Ukrainian companies. It is dangerous to ignore this fact, since this learnt culture is very difficult to change. As a result, the empowerment technique may lead to tensions, disappointment, mistrust, contradictions in organizations and consequently to a low performance.

Generally, empowerment is based on the underlying philosophy of managers towards people in the organization. Empowering employees goes along with diminishing formal status, power and control, and developing a new style of leadership. At the same time, empowering means increasing trust. As for post-soviet managers' point of view, distribution of power is a dangerous loss of power, since they believe that hierarchy and formal status allow them to effectively assign tasks and control outcomes. As a result, this type of managers actively acts against empowerment. It is interesting, that employees of many Ukrainian companies also consider “one-man power”, authoritarian leadership style and lack of pluralism as a useful natural norm, and easily except it.

Based on real experience of expatriates of international companies in Ukraine, it takes a lot of every-day efforts, made one at a time, at different levels to develop the appreciation of participative decision making approaches. It requires development of need for independence, increased self-esteem, and ability to act under the absence of authoritarian control, which does not come at once. In this way international companies, entering post-soviet area, adjust their management practices to the national cultures.