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## ANALYSIS OF CORPORATE CULTURE DEVELOPMENT ON THE UKRAINIAN ENTERPRISES

The concept of corporate culture of the company is considered in the article. The importance of its implementation is studies. The features of the implementation of the corporate culture on the Ukrainian enterprises are analyzed. The main factors of influence on the corporate culture are determined. The recommendations on the implementation of the Ukrainian enterprises are given.

Key words: corporate culture, non formalized methods, formalized methods, monographic studies, personnel, company.

Коренюк П.І.

## АНАЛІЗ РОЗВИТКУ КОРПОРАТИВНОЇ КУЛЬТУРИ НА УКРАЇНСЬКИХ ПІДПРИЄМСТВАХ

В статті розглянуто поняття корпоративної культури на підприємстві. Досліджено важливість її впровадження. Проаналізовано особливості впровадження корпоративної культури на українських підприємствах. Визначено головні фактори впливу на корпоративну культуру. Розроблено рекомендації щодо впровадження її на українських підприємствах.

**Ключові слова:** корпоративна культура, неформалізовані методи, формалізовані методи, монографічне дослідження, колектив, підприємство.

Коренюк П.И.

## АНАЛИЗ РАЗВИТИЯ КОРПОРАТИВНОЙ КУЛЬТУРЫ НА УКРАИНСКИХ ПРЕДПРИЯТИЯХ

В статье рассмотрено понятие корпоративной культуры на предприятии. Исследовано важность ее внедрения. Проанализировано особенности внедрения корпоративной культуры на украинских предприятиях. Определены главные факторы влияния на корпоративную культуру. Разработаны рекомендации по внедрению ее на украинских предприятиях.

**Ключевые слова:** корпоративная культура, неформализованные методы, формализованные методы, монографическое исследование, коллектив, предприятие.

**Formulation of the problem.** There is a constant improvement of the national business model towards creative understanding of Ukrainian practice of generalized list of rules in business management in modern terms. On the one hand, it is the rationalization of internal organizational processes in crisis conditions, on the other hand it is the practice of cooperation with Ukrainian partners and partners from other countries, is the experience of economic relations with foreign partners from other countries with developed market relations, and practical experience of management, which represents the evolution of management practices since the Soviet Union period, and changing approaches and management techniques that have occurred over the past decade. Therefore, the need of study the phenomenon of corporate culture and its influence on the activity of economic entities are very important.

Analysis of recent research and publications. The issue of implementation and development of corporate culture of the company devoted to the work of such scientists as D. Jaffe, Dil T. Kennedy A. Kossen S. Peters, T., S. Robins, Smirchich L., G. Sonnenfeld., Hofstede, G., Balabanov L. Dorovskoy A., G. Schekin and others. Great importance to the

role of corporate culture as additional opportunity to increase competitiveness is provided by American companies.

Consultants Robert Thomas G. Pitere and Robert H. Waterman in the analysis "overachievements" 62 US firms found:

• 88% of companies with high-specialized units directly responsible for the implementation of moral values;

• 74% of companies of the program promote values and institutions to attract the best staff poaching;

• 65% of companies have programs combining these values with measures to improve profitability;

• 58% of companies develop special programs of cultural work among staff.

In companies with middle and low-income corresponding figures were lower by almost a half, and some were absent at all.

Assessing the development of corporate culture in Ukraine, according to sociological research we can confirm that:

• 55% of modern Ukrainian managers believe that the ideal condition is when the corporate culture is developed in the company;

• 40% of our entrepreneurs try to create corporate culture using Western technologies;

• 35% of respondents recognize the need for it, but that they notice the lack of either time or resources;

• 25% or respondents consider corporate culture as unnecessary thing in general management [1].

Haiet G.L. notes that the Ukrainian national character and mentality of a wide variety of features do not fit the common norms of corporate culture. First of all, the origins of the low level of economic culture, including economic nihilism outside public lives of majority, so on, that is a mental reality of most part of the population and rooted in the depths of the national character, ethnic psychology of our people, which were being formed over many centuries [2; p.196].

**Still unsolved aspects of the problem.** Business ethics has just recently received a place in the Ukrainian business entities. But national workings and textbooks on this discipline are not enough, and they do not often meet the requirements of a practical nature.

The purpose of the article. To investigate the level of implementation methods of corporate culture. To analyze the reasons forcing managers to "freeze" the development of corporate culture in the workplace.

**Presenting the main material of research.** One of corporate culture elements on the Ukrainian enterprises which actively influenced the process of full integration of Ukraine into the global system of trade, implicitly is the business ethics.

Business ethics has three subordinate hierarchical levels [3]:

1. World level (hyper norms). These rules are based on common values. In summary form, they are reduced to social responsibility: the creation of public goods, jobs, the increasing customers', employees' and shareholders' living level, and the rest of population; upgrading technology, production methods, marketing and communications; increase confidence in business; respect for the law and equal opportunities in competitiveness; morality; promotion of multilateral trade freedom; respect for the environment; rejection of illegal activities (corruption, money laundering, arms sales to terrorists, drug trafficking).

Highlights the moral obligations of companies and entrepreneurs in relation to the following categories of persons:

- customers (high quality goods and services, honesty in advertising, respect for human dignity);

- employees (decent pay and working conditions, health and disability, equal rights and job opportunities);

- owners and investors (guaranteeing a fair return on invested capital, free access to information is limited only by the scope and terms of competition law);

- suppliers (fair and honest relationship with them, including pricing, licensing, no coercion and unnecessary litigation, exchange of information and involvement in the planning process, timely payment of supplies, etc.);

- competitors (mutual respect, developing open markets for goods and capital, avoiding the use dubious means to achieve competitive advantage, respect of property rights);

- the local population (respect for human rights, respect for cultural integrity, sponsorship shares of companies involved in civilian life).

Hyper norms are on top of the national and corporate ethical codes and regulations.

2. Macroeconomics in the scale industry or the national economy. It is about respect for private property and market competition, the accuracy of the information no unjust discrimination in the labor market.

3. Micro level in the scale of the individual firm and its clients. These are the principles of trust and non-discrimination between suppliers and customers, staff and administration, managers and shareholders, etc. Their violation entails various losses - increase overhead costs, conflicts, etc. At this level constantly emerging, especially in human resources sphere, private ethical issues are solved.

In the system of corporate culture studies dominates declarative and edification, business ethics and culture of behavior within the organization and outside it, it is considered as the form of teachings and moral standards required in business (trust, honesty, mutual respect), but is only part of the subject, scilicet normative ethics [4].

Much attention is paid to etiquette (like talking on the phone, handling the negotiations, writing business letters, dress properly, etc.).

In the same studies applied nature, such as personnel management, the specifics of moral problems and solutions are often non-considered.

However, it must be emphasized that the conditions of economic globalization lead to creative content of national standards of corporate culture of the Ukrainian economy in a permanent reduction of barriers of international economic relations, as well as their current organizational forms, from self-technological chains of production and sales in international markets to transnational companies.

Implementation of the principles in the managers activity faced to certain difficulties. For managers who are used to the quantitative performance criteria and that have a time limit, ethical decisions are often severe and uncertain, and they may trample them. The difficulty for them is handling different levels of ethical standards.

In Ukraine, the concept of "corporate culture" is almost non-used in the theory and practice of management of the organization until recently. However, it does not mean that Ukraine has no organizations with advanced corporate culture. Moreover, the culture of large companies with a long history of existence and a large number of employees has developed. There are many companies in the mechanical engineering, energy, industry and other major industries which provided these better changes. The values of all sides reflect in the course of their corporate culture. It should be borne in mind that the last major changes in political, economic and spiritual spheres of Ukrainian society have made a negative impact on social and personal values. The element of market economy affected primarily on the largest enterprises of the country, putting them on the brink of bankruptcy and forced to stop production and reduce the number of employees. Of course, all this has a serious impact on the old culture and traditions, have managed not only to survive in the competition conditions, but also began to flourish [5].

Great attention to the corporate culture has been paid by the private business.

The transformation, taking place at this time in Ukraine, makes the public change their economic thinking greatly, and through learning, through economic psychology create a new economic behavior.

Therefore, we can conclude that economic thinking as a part of the society economic culture is the way to organize and development economic activity. The basis for informed

participation rights, social groups and society represented by the state economic process and in making economic decisions, is created through understanding the reality of economic relations.

Therefore, researchers also distinguished business culture within the corporate culture, which is defined as the acquisition and distribution of profits. Business culture is characterized by forms of capital flows (production, trade, finance) and type of business relationship between the people who work in these areas, based on the accepted system of values, norms, rules of conduct.

Transformation of Ukrainian mentality requires a transition to strengthen the role of the individual, some responsibility for themselves, their actions and initiatives in its operations. But more effective is a creative synthesis of international experience and ideas with regard to the ratification of many original development of domestic economic thought, achievements and justified in practice the ideas of economic theory of the Soviet period, historical features of Ukrainian business and corporate culture, its uniqueness and originality [6].

Just on this basis national corporate and business culture of Ukrainian enterprises can be formed, which will be the basis of sustainable development and will contribute to the development of their competitiveness.

With the development of market economy and global competitiveness of the competitive process is one of the central problems not only economic, but also social life. In turn of the increasingly information environment development so-called soft factors of competitiveness factors of an institutional nature related to the relationship between people are played an important role in the competitiveness. These factors are concentrated in the concept of corporate culture, which is an important institution of contemporary socio - economic relations, social capital element of the economic system, an important factor of competitiveness.

Researches show that in Ukraine the readiness of the informal institutions of corporate governance as corporate culture to the implementation of management strategies can be assessed as very low. Culture generally is not able to grow on any soil, corporate culture is not an exception. Describing macro institutional environment, we can say that now it is focused on the real democratization of our economy, but to prepare the changes needed, including in the microenvironment of the enterprise, improving corporate culture, changing the mentality of the key participants of corporate relations, thus creating conditions for effective property management.

First of all, it should try to achieve a balance of interests between the participants and corporate relations. The interests of harmonization of value-house corporate relations is possible only on the basis of democratic evolution of property relations, because of their training establishment and development are needed now, not waiting until the ripe favorable conditions for this.

The key to the stability of social structure, social and labor relations and efficient development of the economy as a whole and its corporate component should serve as a thought-focused long-term strategy for the development of corporate values, in which the goal of business is closely coordinated with the vital interests of employees, customers and society in general. Therefore, the concept of a social orientation should be offered to the long-term public policy in regional development programs and industrial policy accepted at Ukrainian enterprises.

**Conclusions and suggestions.** Ukrainian national culture, despite some negative traits that stem from historical development of society is still characterized by a number of structural features of Ukrainian character, which can promote the absorption of normative values of corporate culture. This is a high level of development of freedom love, natural democracy, kindness and mutual support that can be fixed not only in politics but also in the corporate culture. Democratic values of Ukrainian society, that gradually weakened for several centuries, and related traits of national character in terms of the independence of Ukraine in the future can be played. This gives reason to believe that most of the structural

features of Ukrainian national character can act as important factors in building an effective system of corporate culture on the Ukrainian enterprises.

Overall, with this study it can be concluded that the feasibility of implementing modern corporate culture enterprises is very important. However, the desired effect can be achieved only under conditions of objective evaluation of internal organizational processes and the microclimate of the enterprise.

In the future, this work will be extended with more detailed proposals on the formation, implementation and support of corporate culture, including:

• the development of questionnaires to assess the current status on the presence of corporate identity and other elements of corporate culture;

• the developing innovative algorithm to build and maintain a high level of implementation of corporate culture and so on.

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