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of the Economics, Management and Marketing Department****Zhytomyr Ivan Franko State University****Ukraine****SPECIAL ASPECTS OF MANAGEMENT SYSTEM'S FORMATION AND
ESTABLISHMENT IN UKRAINE**

The article covers the main stages of management system's implementation in Ukraine in order to form a new model adapted to this country's economy. The management models existing in the world are characterized and analyzed, the stages and preconditions for their formation and specific features are considered, as well as the definition of the category "management model" is given. The article analyzes the modern processes of the management system's formation in the country. The necessity of the intellectual capital development is determined and, thus, the managers' competences as one of the priority elements of ensuring the effective enterprise activity. The authors suggest the approaches to the "Ukrainian" model formation, taking into account the foreign scientists' achievements of the world approaches in creating and implementing management ideas in Ukraine.

For the Ukrainian model, we consider it necessary to borrow from the American model the formation of a rigid organization with the allocation of powers and responsibilities of each element of the organizational system. In addition, it is necessary to formulate a strategy for the development of the national economy, which should include continuous growth of economic indicators and deepening of specialization of production, and control over all branches of the national economy will be of great public importance.

For the development of Ukrainian management, it is desirable to borrow from the Swedish model a mechanism of interaction between the state and market sectors of the economy with a fixed level of tax. Each model of economy and management is based on its own traditions of its people, on a specific resource base, which is specific only to the locality. For the Ukrainian economy, the traditional principles of the Japanese model are best suited

It is concluded that, despite the rather small experience of forming a management system in the country, domestic business owners have come to understand the need for the development of intellectual capital, and therefore, the competencies of managers as one of the priority elements of ensuring the effective operation of the enterprise.

Keywords: *management, management model, American model, Japanese model, Swedish model, market economy, Ukrainian management model.*

ОСОБЛИВОСТІ ФОРМУВАННЯ ТА СТАНОВЛЕННЯ СИСТЕМИ МЕНЕДЖМЕНТУ В УКРАЇНІ

У статті розкриваються основні етапи впровадження системи менеджменту в Україні з метою формування нової адаптованої до української економіки моделі.

Охарактеризовані та проаналізовані існуючі у світі моделі менеджменту, розглянуті етапи та передумови їх становлення, специфічні особливості, а також дано визначення категорії «модель менеджменту». Проаналізовані сучасні процеси формування системи менеджменту в країні та визначена необхідність розвитку інтелектуального капіталу, а отже, і компетенцій менеджерів як одного з пріоритетних елементів забезпечення ефективної діяльності підприємства.

Для української моделі вважаємо за необхідне запозичити із американської моделі формування жорсткої організації із виділенням повноважень та обов'язків кожної ланки організаційної системи. Крім цього, необхідним є формування стратегії розвитку національної економіки, яка повинна включати в себе безперервний ріст економічних показників та поглиблення спеціалізації виробництва, а проведення контролю за всіма галузями національної економіки матиме велике суспільне значення.

Для розвитку українського менеджменту бажано запозичити із шведської моделі механізм взаємодії державного і ринкового секторів економіки із встановленим рівнем податку. Кожна модель економіки та менеджменту ґрунтується на власних традиціях свого народу, на специфічній ресурсній базі, яка притаманна тільки даній місцевості. Для української економіки найбільш підходять традиційні засади японської моделі

Зроблено висновок, що, не дивлячись на досить невеликий досвід формування системи менеджменту в країні, вітчизняні власники підприємств прийшли до розуміння необхідності розвитку інтелектуального капіталу, а отже, і компетенцій менеджерів як одного з пріоритетних елементів забезпечення ефективної діяльності підприємства.

***Ключові слова:** менеджмент, модель менеджменту, американська модель, японська модель, шведська модель, ринкова економіка, українська модель менеджменту.*

Problem statement. Considerable attention is paid to the issues of studying the today's management mechanism formation. In economically developed countries, the skillful use of management has led to increased activity of productive forces, their capabilities, and increased productivity. New jobs are being created, tools are being improved, fundamentally new approaches to production processes are being formed. Attracting the achievements of science and technology, the use of nanotechnologies puts the countries among the most economically and technologically advanced. In countries where considerable attention is paid to the creation of numerous business and management schools, the management infrastructure is being successfully developed. This enables the rational use of the society's workforce.

In the context of market relations, as well as the development of WTO accession strategies, Ukraine needs to change its old resource management system and revise its existing industrial sector management systems. Finding new ways of development and building a fundamentally Ukrainian model of management based on the peculiarities of social and industrial approaches is the purpose of this article.

The subject of consideration is the existing world management models that have proven themselves to be successful. Their analysis gives an opportunity to formulate the main stages of the Ukrainian management construction model. The main objectives of this article are to analyze the stages of major foreign management models formation that have proven themselves effective, with the aim of forming a Ukrainian management model based on its own peculiarities of the national economy.

Analysis of recent research and publications. More recently, the development of the country's economy and national wealth were not conditioned by the productive activities of the people themselves. Gradually, it became necessary to prove to the population that the result of their work was the creation of public wealth. This idea was expressed by a well-known economist, one of the founders of the classic political economy of W. Petty. According to his theory, it is the organized labor of society that is the true source of social wealth, without which natural resources cannot be used to the full and rationally.

At various stages of the development of the science of management art and the disclosure of the concept of management model, such prominent Ukrainian scientists as O. Terletsky, M. Pavlik, M. Dragomanov, M. Ziber, S. Podolynsky, M. Tugan-Baranovsky, and I. Vernadsky, M. Volsky, G. Tsehanovetsky, K. Vobliy, T. Voynarovsky, I. Koropetsky, L. Cherniuk, V. Kopytko and others.

The methodology of conducting any research and formulating the conclusions that result from the work depend to a great extent on the prudence and excellence of the developed scientific concepts operated by science. The categorical apparatus and concepts show the most significant features inherent in the phenomenon under study. The analysis of literary sources revealed insufficient

disclosure of the definition of “management model”. In connection with this, it is necessary to study its essence. Research in this category should be based on the definition of such a basic concept as a “model” with the definition of the potential of the object.

Presenting main material. Management is becoming more and more confident in the industrial and social life of the countries of the world. On the one hand, it is a science that relies on objective laws and laws, clear rules and technologies to help people understand the realities of the production process. On the other hand, management defines the rules of human organizations’ behavior, which differ significantly from one another’s habits, traditions, values, institutions, level of education, social morality, etc. Therefore, in the transition from theory of management to practice, it is necessary to apply such models that correspond to local conditions, national customs and devices [4, p. 56].

Today, many problems have become important for Ukraine. They are caused by a shortage of professionals in the fields of economics, politics and other fields of science, which has caused a significant drop in the development of the national economy. Ukrainian management should become the wheel to launch the national economy into motion. To achieve this, a certain algorithm must be developed: to adopt the values, rules and ethnic norms that are acceptable in a civilized society, to introduce world-class methods of socio-economic development, while preserving and using the national moral values acquired through religion, historical culture, as well as mastering modern management methods. It is this path that will enable the economy to actively and productively develop.

In order to determine the next steps of socio-economic development, a necessary step is to analyze the results of management models implementation in the world production infrastructure. The phenomenon of the model can be defined as a simplified representation of the real production situation and analysis of all the processes occurring in its structural units [1, p.22]. We believe that the model can be considered as an example of any phenomenon or mechanism of action of

various processes. Involvement of situations modeling worked out in the world practice will allow to approach formation of the Ukrainian model of management theoretically prepared.

An important point for Ukraine is to evaluate and analyze the processes underway in the field of governance, as major changes in the country's socio-economic system continue. New economic conditions require new approaches to managing the economic sector. Hence the need to break down those stereotypes of thinking that have developed over a long time, as well as to conduct a study of the population's attitude to work.

In order to build a model of Ukrainian management, it is necessary to find the answers to the basic questions facing the national economy today:

- through which research and analysis to develop the stage of search for sources of competitive advantages of the national economy;

- by which methodology to conduct in-depth analysis and evaluate the cultural fund of Ukraine, with rational use of its capabilities, taking into account national restrictions in the development of strategic, tactical and operational decisions on the functioning and development of the national economy;

- how to conduct the process of formation and development of a multinational collective of organizations, its units in the country of residence and in the countries of residence in the interests of maximizing the use of the personal potential of workers, the capabilities of individual teams and cross-national effects of their interaction in the country;

- how to solve social-psychological problems of the person, his development, professionalism and competence;

- how to positively influence the development and effective use of various opportunities of business service, and above all, in the fields of financial, technological and information servicing of economic transactions [1, p.36-38].

The answers to these questions require a comprehensive study of the lifestyle of Ukrainians, as well as their role in history over the past decades.

For more than 70 years, Ukraine has been part of the USSR, where disrespect for the work of the ruling elite as a major factor in wealth and its carrier – human beings – has led to virtually low pay for this work and to developing a similar attitude to it. The consequence of this is the indifferent attitude towards the person who carries out the work. Gradually, a clear understanding emerged that the chances of honest work earn themselves decent living conditions (this tendency, unfortunately, persists until now) [5, p.45]. This attitude to work and distrust of the governing link of the management has already been etched in the minds of the majority of the population, which has led to low rates of socio-economic development, and political troubles against the backdrop of economic ones have led to the collapse of the Union.

Ukrainian mentality and “psychological rejection” by senior management as leaders of the production process has led to low self-esteem of their own capabilities. The reason for this situation is the power, which for many years prioritized the following scheme: first, resources were given to financial material and fuel and energy, second to processes (technological, educational and training), and third to machines and equipment. Lastly, the fourth place was given to employees. Soviet social (primarily economic) science justified the socialist mode of production and did not explore the nature of labor as a major factor in wealth. Thus, the scholasticism and dogmatism of the national social science have found a powerful confirmation precisely in ignoring the doctrine of the dual nature of work and forming on this basis the mechanism of organization of expedient labor activity of personnel on social objects [2, p. 73].

The planned system of management under Soviet socialism could not make useful the concrete work of the workers of the authorities, and the abstract work – rational, as well as on the vast majority of enterprises of the economic basis of the country.

Planned economy failed to form in the Ukrainian management science rules of accuracy, punctuality, ability to manage their time and time subordinates,

as well as create mechanisms to counteract subjective emergency mode, spontaneity, company, which was the main cause of crisis management [3, p. 76].

In the same period leading developed countries of the world distinguished management as a separate science, understanding the scale of its application in various spheres of human activity. Therefore, management, whose object is exclusively the work activity of the individual and the collective, and the object – the organization of expedient work, became the main source – an instrument of wealth of economically developed countries [7, p. 89]

With the market relations development in the economy of independent Ukraine management is given considerable attention. In forming the model of management of the post-Soviet countries, it became necessary to create a national management system based on the analysis of the most successful management models in order to borrow the most suitable forms for the Ukrainian economy.

Among the world's management models, the most popular is the American model (Anglo-American), which was formed in the late 19th century. Today, in most countries there is a process of creative thinking and adaptation of American management to national characteristics, on this basis regional-national models of management emerge. The American model is based on the rigid organization of the organization's governance system in external democracy. It is based on a machine-conveyor, electronically formalized control system for the manufacturing sector, which can be of use to any economic system. The basis of the organizational structure of the American corporation was the system of decentralized management of the production process, the creation of more extensive and complex organizational structures [5, p. 78].

For the Ukrainian model, we consider it necessary to borrow from the American model the formation of a rigid organization with the allocation of powers and responsibilities of each element of the organizational system. In addition, it is necessary for employees to be convinced that the success of an economy depends on various factors that affect economic objects. Therefore, it is necessary to formulate a strategy for the development of the national economy,

which should include continuous growth of economic indicators and deepening of specialization of production, and control of all branches of the national economy will be of great public importance.

The most effective in the world is considered the Japanese model, which is based on collectivism, using all the moral and psychological levers of influence on the individual. Educating employees with a sense of obligation to the staff plays an important role, which in the Japanese mentality is almost the same as feeling shame when taking a different position. In Japanese society, there is minimal stratification of welfare, and this makes it possible to use the feeling of collectivism as effectively as possible. Unlike the leading models, the Japanese model is characterized by its focus: the main subject of management in Japan is labor resources, and the main purpose of the organization is to increase the efficiency of the enterprise mainly by improving the productivity of workers. In European and American management, the main goal is to maximize profit, that is, to obtain the greatest benefit with the least effort [10, p.65].

From the history of development and implementation of the Japanese model, it is known that it was formed under the influence of 4 factors:

- acquisition of foreign experience in the field of production management and organization,
- gradual preservation of national traditions,
- features of Japanese character: diligence, restraint, diplomacy and perception of the new.
- spiritual development of personality [6, p. 98].

Introducing all of these factors into the Ukrainian governance model would yield far greater results. All these positions are important for any economic system: the introduction of the latest technologies in the industrial sector can lead to increased productivity and lower cost of production, while maintaining the competitiveness of Ukrainian goods and services. Each model of economy and management is based on its own traditions of its people, on a specific resource

base, which is specific only to the locality. Therefore, the traditional principles of the Japanese model are most suitable for the Ukrainian economy.

But Sweden has achieved the greatest performance in socio-economic development thanks to the programs of the Social Democratic Party. Specialists call the Swedish model of management a “welfare state” model. It manifests itself as a complex of socio-economic and political realities in a country with its high standard of living and wide-ranging social policy. The introduction of stages of social programs became possible only due to the constant economic growth and thoughtful policy of the country [8, p. 67].

Sweden’s stability is the result of the country’s prudent policy of full military neutrality. The country does not participate in the hostilities of other countries, is not part of the international military blocs, which has led to stability, consistency and commitment in the implementation of socio-economic policies, the possibility of economic potential’s continuous expansion.

The essence of the “welfare state” model can be expressed by qualitative features of socio-economic development:

- the combination of private ownership of the production means with the broad socialization of the consumption areas and distribution of goods and services;

- effective state system of ensuring high employment and reliability of social guarantees;

- a system of democratic methods that allows each person to influence the decision of all issues concerning his life, which creates a peculiar psychological climate in the country, a sense of employee involvement in the goals of the organization [9, p. 60].

Sweden’s economy is defined by a mixed nature that combines market relations and government regulation, with predominant private ownership in production and public consumption. The main feature of Swedish management in comparison with other models is that its government and trade unions actively influence the relationship between the state and capital, the level of remuneration

and employment. There are two dominant factors in Swedish politics: full employment and income equalization, which determines the means of economic policy. An active policy in a highly developed labor market and an exceptionally large public sector (this means primarily the sphere of redistribution, not state ownership) are seen as the results of this policy.

The effective functioning of local governments defines the democratic foundations of economic and social development of production facilities, which is virtually nonexistent in Ukraine. In the national manufacturing sector, certain laws regarding labor discipline, determination of wages, etc. are strictly enforced, and these regulations are not dependent on the participation of communities and trade unions [9, p. 78].

Thus, for the development of Ukrainian management, it is desirable to borrow from the Swedish model a mechanism of interaction between the state and market sectors of the economy with a fixed level of tax. The existence of an economic system in a market economy without the power of trade unions is extremely impossible, since the freedom of business and the manufacturing sector is an important factor for economic activity in a market economy. In the absence of trade union power in Ukraine, the able-bodied population becomes defenseless and disenfranchised, leading to a difficult industrial and political situation.

The main points in the formation of the Ukrainian management model should be the following:

- for the purpose of establishing a natural market equilibrium, the State should not interfere with free pricing,
- public authorities must monitor the enforcement of antitrust laws,
- the state should not dictate to entrepreneurs what and how to produce, but it is obliged to protect domestic producers from foreign competitors.
- all freedoms should be of an economic nature, provided that economic freedom can exist only if there is political freedom. Therefore, the most effective model of management can be only in a democratic state with a liberal market society [1, p. 11].

For the formation of the Ukrainian model of management, freedom is attractive, especially the issue of freedom and the right to work for one's family and for oneself. Raising the level of family well-being through legal production or any other activity, the citizen must pay taxes that replenish the state budget. This will allow the introduction of social programs for the population, which will also affect the family of a given citizen. Thus, the better the living and working conditions of people and their higher incomes, the better their welfare and financial position of the country is a basic rule of the Ukrainian management model. But this rule will only "work" if political stability and equitable distribution of budgetary resources and revenues are made.

Today, the management that dominates Ukrainian enterprises can be roughly divided into three main areas:

1. A system of management that was inherited from the Soviet era. Its main features are: rigid centralization, poor staff motivation, active use of administrative management methods. The characteristic features of such enterprises are low labor productivity and competitiveness, inability of the enterprise to enter foreign markets due to the quality of products and so on.

2. A management system that has been formed in small and medium-sized enterprises. The main features – the simplest organizational structure of the enterprise (usually linear), the lack of development strategy.

3. Management system implemented by foreign companies or based on the experience of foreign companies. A characteristic feature of this type of management is the partial implementation of foreign management approaches.

This is often explained by the impossibility of applying certain new approaches in management, since the external factors (political, economic, social situation in the country) are strongly influenced by the domestic corporate sector [2, p. 35].

The most pressing management problems facing Ukrainian enterprises are:

- the reduction that occurs when an organization intentionally becomes smaller, reducing the number of employees or entire units or closing down businesses;

- insufficiency and timeliness of providing managers with quality information for making management decisions;

- failure to comply with the maximum quality level;

- insufficiency of employees' intangible motivation at enterprises [3, p. 122].

The concept of effective activity of Ukrainian business should be based on certain factors:

- abandonment of the domination and subjugation hierarchical relations old principles and transition to partnership, to the principle of "sports team" and closer interaction;

- independent and innovative nature of activity, creationism, or more precisely, a continuous creative approach to all issues;

- striving not for maximum, but for socially justified profit;

- flexible, fast and free transition from one role to another in accordance with the new requirements of a saturated market;

- synthesis and implementation in practice freedom, equality and justice principles;

- experimentation – testing different approaches for finding ability and understanding how to transform opportunities into successful reality, etc.

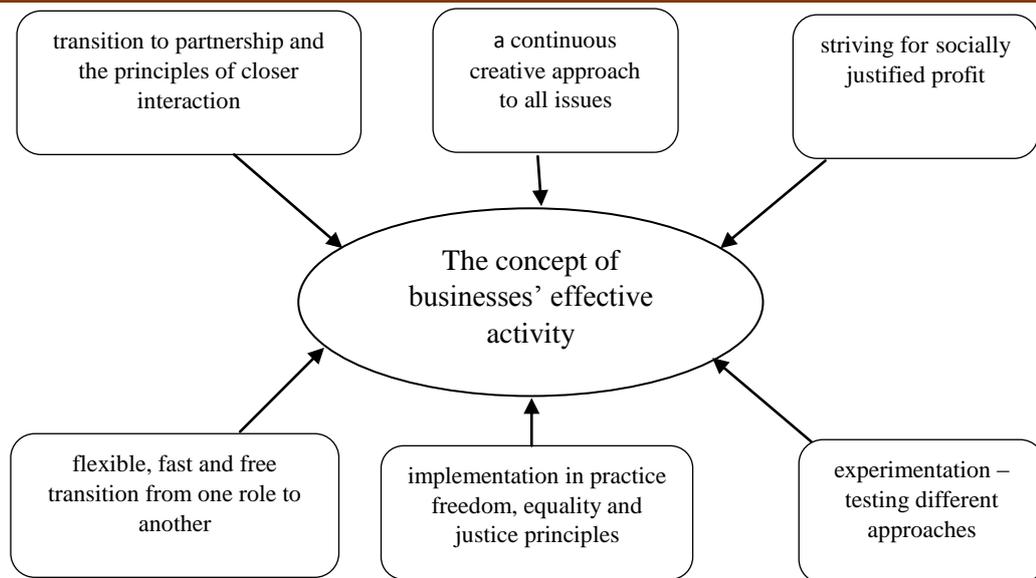


Figure 1. Prerequisites of the concept of businesses' effective activity formation

Source of information: designed on the basis of [6, p. 97].

The problems of management development in Ukraine at high rates of economic development are quite solvable. In modern conditions of economy development on the basis of market relations one of its priority directions is development of basic theoretical and methodological positions on the use of management in practical activity of Ukrainian organizations.

An important problem of becoming a management practice in Ukraine is the formation of a modern organization culture. He attaches great importance to the strategies and tactics of the organization's development, which are integral to the process of forming its culture.

Conclusions. The analysis of the existing world models of management makes it possible to form an approximate national model of Ukrainian management, the main idea of which is to achieve the population well-being. The basic principles are proposed to include the following:

1. Establishing a clear organizational system in organizations with appropriate authority. This requires constant monitoring of the tasks.

2. Preservation of national traditions and their introduction, if possible, into the production process.

3. Providing freedom to the manufacturing sector in business and other activities.

4. Active support from the state for the development of small and medium-sized businesses as the main elements of a market economy.

5. Bringing the legal framework of production and business activity to logically established and economically justified rules and regulations.

6. Creating conditions for the introduction of social programs that will improve the welfare of the country's population, raise Ukraine's rating and bring it closer to European standards.

7. Psychological and material assistance to the population during difficult periods of economic development.

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