

CULTURAL DIMENSIONS OF INDUSTRIAL RELATIONS MODERNISATION: PECULIARITIES IN COUNTRIES OF CENTRAL AND EASTERN EUROPE AND STATES OF SOUTHERN AND WESTERN AFRICA

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Globalisation of the world economy has spread onto such important part of its structure as the industrial relations (IR). Larger and larger numbers of countries begin to join in the process of the diverged change in all components of the IR (including the employment/unemployment, labour-management and corporate governance, investment e.a. sectors), more and more are forced to face the crucial choice between the two human resource management models (“Anglo-Saxon” and “Asian”) dominating in the contemporary world, have to search for the new approaches and concrete instruments of the industrial development regulation. These and other similar changes, although positive in general, *for the developing markets* (equally represented in the African and post-command European regions) can bring rather conflicting consequences. Therefore a thorough theoretical consideration of all such consequences must precede here any attempt of the world-wide IR experience adaptation and thus, of the employment e.a. IR practise modernisation. The proposed paper, based on results of the wide comparative analysis of the IR/HRM developments within the different global regions, is called to define the common current peculiarities and offer some recommendations on optimisation of the future advancement of the employment, human resources and corporate management relations within the post-traditional Southern and Western African (SWA) and post-command Central and Eastern European (CEE) countries.

1. Introduction

Since the early 1990's, almost all of the former socialist bloc countries have been undergoing the crucial path of the command-market transformation. This process has already proved to be very long, dramatic and difficult; it has put every Central and Eastern European economy before the tremendous challenges associated with the necessity of the radical change of many macrolevel indices and parameters. Amongst others it pre-supposes the increasing transition of the whole CEE region to a completely new IR development model, to the adoption of such fundamental elements of the contemporary international HRM practise as forms of economic democracy, employees' participation in enterprise management and results, etc. The latter clearly demonstrates the depth of the on-going post-soviet modernisation; this fact also explains the growing interest to the global IR/HRM/employment problematics observed not only within the domestic academic circles, but as well among politicians and governments, trade union organisations, employers' and other associations. The theoretical debate on the potential benefits of the Western social partnership and corporate management systems implementation have led governments in a number of CEE countries to adopt measures actively stimulating their diffusion, which, however, on the post-command (as well as post-traditional) soil keep bringing rather paradoxical results often contrasting to those in advanced post-industrial economies.

Such a paradoxical situation gave rise to many attempts of its explanation by both CEE, African and Western researchers. The most interesting interpretations of the new HRM model creation peculiarities in the former Soviet Union (FSU) region proceed from existence of the defining effect that IR system experiences from the national political and cultural system's part [e.g. (1)]. Culture factor is also very important for the HRM model formation; among all reasons of this importance discovered by today's researchers let us stop on the fact that it often determines the macroeconomic effectiveness of various HRM practices (2). It means that HRM practises found to be effective in one national environment may be absolutely useless in a culture with different psychological beliefs and historical values. Obviously, these considerations have direct implications on the perspectives of the global HRM experience utilisation in the contemporary socio-economic realities of Eastern Europe and Southern and Western Africa.

Among the existing Western conceptions explaining the interdependence between a national culture and IR/HRM relations development, the deepest conclusions concerning various types of economic systems are made by Greet Hofstede and Lawrence Harrison. Their models [resp. (3-5); (6), and (7)] above all were designed to illustrate the profound influence that the ethno-historical experience and culture of a nation can exert on all elements of its HR organisation and management (i.e., on the group labour arrangements, mechanisms of social partnership, labour participation and activity enrichment, systems of property-owning industrial democracy, co-operative networks and corporate management institutes etc.).

The present paper, which has the comparative theoretical nature, will investigate the potentialities that some of G.Hofstede's "cultural dimension" and L.Harrison's "cultural factors" models can have in becoming guidelines for the new HRM system building in the post-soviet (CEE and especially former Soviet Union, FSU) and post-traditional (South and Western Africa) states. Its evidence is drawn from two main sources: research publications issued in the Western (Europe, USA) and CEE (Ukraine, Russia) countries, and results of an independent large-scale research project "Human Resources and Employment in Ukraine: Outlook for 2000-2005" undertaken by the authors in 1998-2000 under the auspices of the Kharkov Region Scientists' Union "SUKHAR". The main purposes of the study are to:

- ◆ Systematise the existing data on the HRM developments within the CEE, FSU and SWA regions, in order to work out a forecast of their future dynamics,
- ◆ Assess the perspectives of the Western HRM theories and "best practices" application to the post-command and post-traditional economies, and finally,
- ◆ Formulate the efficiency conditions for the employment, human resource and corporate management regulation different stages of their market transition.

Based on methodology of the above stated models, this comparative study enwidens their theoretical background and application opportunities for the HRM mechanisms formation in the different (including the very specific CEE and SWA) regions of the world.

2. G.Hofstede's "Cultural Dimensions": East European and African Implications

Within his "cultural dimensions" IR/HRM formation models, Greet Hofstede has identified a number of criteria by which various national and/or regional cultures may be classified. We assume that, with the respect to the former command (CEE) and former traditional (SWA) societies, out of this number **five** principal national dimensions must be stressed, such as the levels of *power distance*, *individualism/collectivism* aptitude and *uncertainty avoidance*, together with the *masculinity/femininity* domination and *long/short-term* orientation. Their relative scores for seven different countries are depicted in Figures 1-5 respectively. Let us examine the above stated determinants in detail.

The scope of the *first* dimension (power distance) demonstrates how a culture can pre-determine features of the hierarchical power relationship and, particularly, of the irregular power distribution. In other words, it describes the degree of inequality among people that is considered to be socially normal.

Within this approach, it is evident that national cultures with a small power distance (e.g., such as those of Sweden and USA) by all means seek to eliminate irregularities in the national power and wealth dispersal. Conversely, countries with the large power distances (e.g., Nigeria, Russia and Ukraine) usually seek to maintain such differences; that tendency proves to be consequent to a number of common specific traits of their HRM structure. We have determined that the labour-management relations in all countries of this group are characterised by the essential dependence of substitutes from their respective chiefs when an autonomous behaviour is obstructed and managers have very widened powers and privileges. Due to that, most organisations tend to the hierarchical structure and external (from the higher authority levels) centralised administrating, and a perfect manager, who is expected to act as a “good father”, is often found among the “fair autocratic” type. All mentioned IR/HRM features are equally distinctive for all European countries of the FSU (8) as well as for all states of the Southern and Western Africa.

The *second* G.Hofstede’s cultural dimension we consider important for constituting particularities of the HRM system in CEE and SWA regions is the national individualism/ collectivism aptitude. This indicator describes the intensity of interrelation between an individual and other persons in society, that is, an extent to which people are apt to act as individuals rather than members of groups (9).

In homogeneous (USA, Netherlands) and heterogenous (France, Sweden) individualistic cultures, people are only expected to look after their own interests and defend the values of their immediate relationship (families). An individual is prepared for standing on his/her own feet rather than for being protected by any societal group or institution of any level. At the same time, within the collectivist cultures, such as those formed in the SWA (Ghana, Nigeria, Sierra Leone, South African Republic), Asian (Japan, Korea), and CEE/FSU (Poland, Slovakia, Russia, Ukraine) countries, people usually prefer to care for the interest of the larger community (company, state etc.), which in its turn is expected to protect them when getting in any trouble.

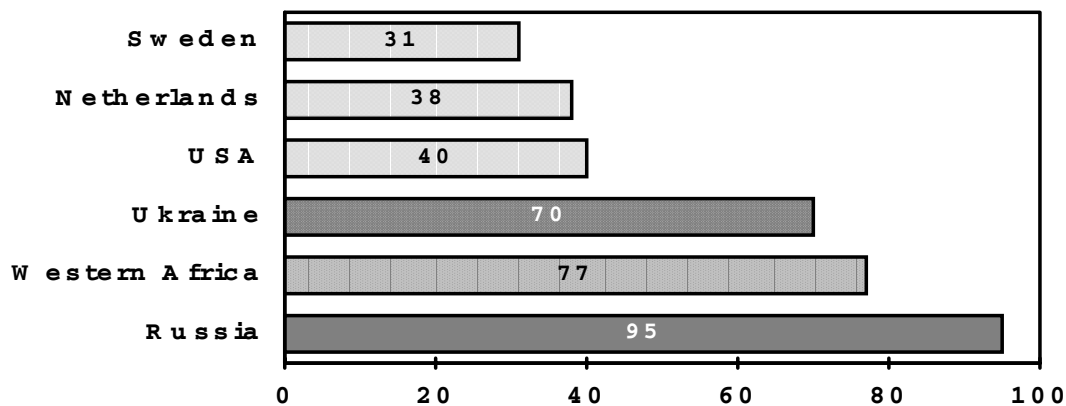
In individualistic society relations between employees and employers are based on the contracts which ensure mutual benefits. Within such framework each employee becomes strictly “work-oriented”, i.e. considers quality of his work more important than his relations with an administrator; most of the labour-management problems are solved through bargaining. On the contrary, in collectivist countries main purpose of the social partnership lies in achievement of the societal equanimity and consensus. Organisational intercourse is built proceeding from the general ethical values rather than the criterion of individual professionalism. Consequently each employee tends to become “work-oriented” as he considers his relations with administration more significant than the fulfilment of his task.

The *third* important cultural dimension (uncertainty avoidance index) describes how nations seek to deal with the fact that the future is not predictable. It may be defined as an extent to which people prefer structured over the unstructured situations.

Some cultures, such as those of France, Sweden, USA as well as majority of the SWA and CEE countries, have a weak uncertainty avoidance. People in these cultures tend to be rather tolerant and flexible regarding different views. Other cultures, represented in Japan and some of the FSU countries, socialise their people’s aspiration for external security and protection through the technology, written laws and religion (10; 11); they may be attributed to as having the strong uncertainty avoidance.

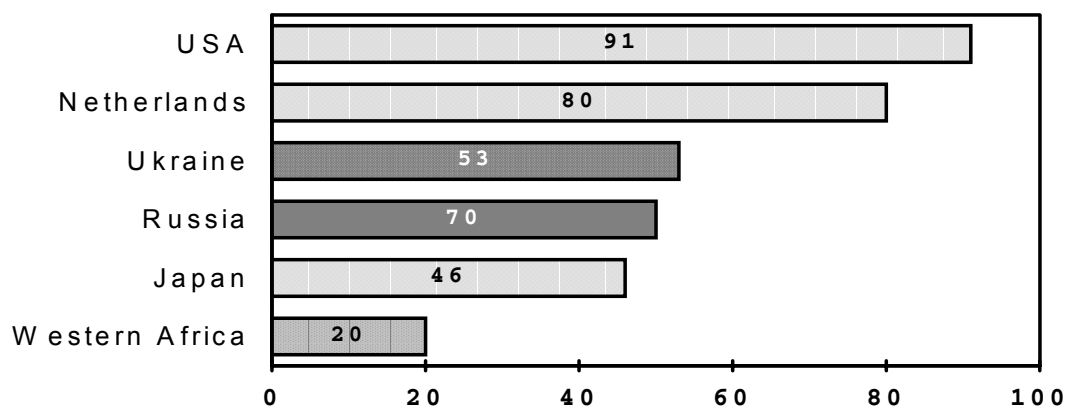
In countries with a weak uncertainty avoidance typical features of the socially normal economic behaviour embrace the risk readiness and innovational aptitude of economic agents; management theory and practice are aimed at stimulation of the equilibrium breach, at enwidening of the informal (institutional) foundations of the macro- and microlevel industrial intercourse, and therefore incline towards the “Anglo-Saxon” model of HRM. On the other hand, countries with a strong uncertainty avoidance gravitate toward the deeply formalised system of industrial relations regulation. This results in formation inside them of the specific “Asian” organisational and HR management model characterised by such traits as the employees’ wish to work within the deeply structured enterprises which lean toward economic conservatism and thus keep rejecting any innovations and expressions of the non-standard (informal) behaviour.

Figure 1. Power distance index



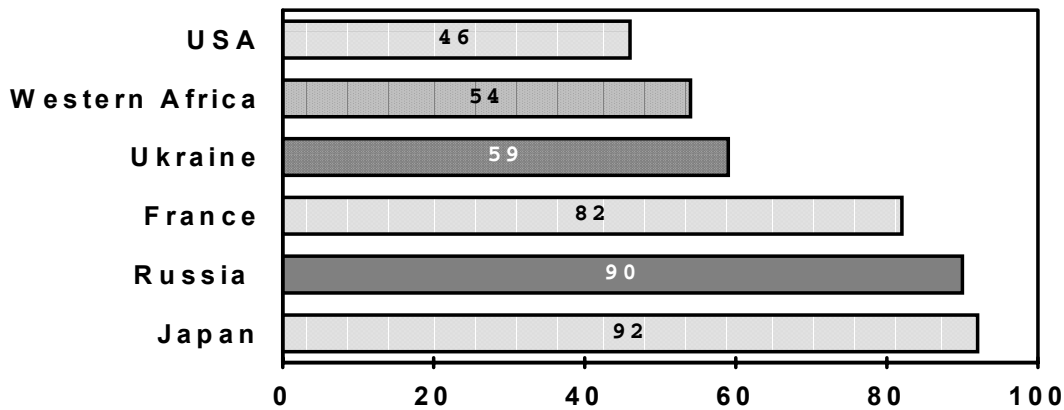
Sources: Data on Sweden, Netherlands, USA and Russia are adapted from (12), p. 26, 112. Data on Ukraine and Western Africa represent the authors’ calculations and are drawn from: (13), p. 9, and (14), p. 14-15.

Figure 2. Individualism / Collectivism index



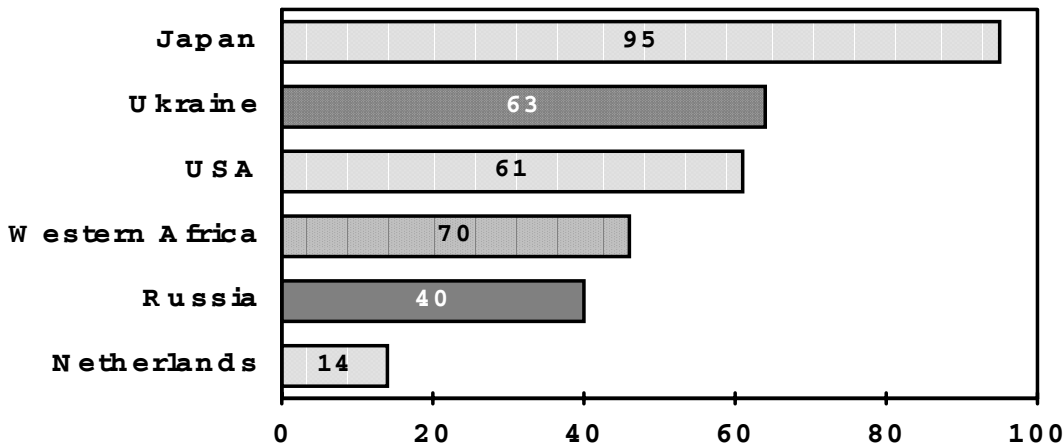
Sources: Data on the USA, Netherlands, Japan and Russia are adapted from (15), p. 86. Data on Ukraine and Western Africa represent the authors’ calculations and are drawn from: (16), p. 23; (17), p. 11, 14, 17.

Figure 3. Uncertainty avoidance index



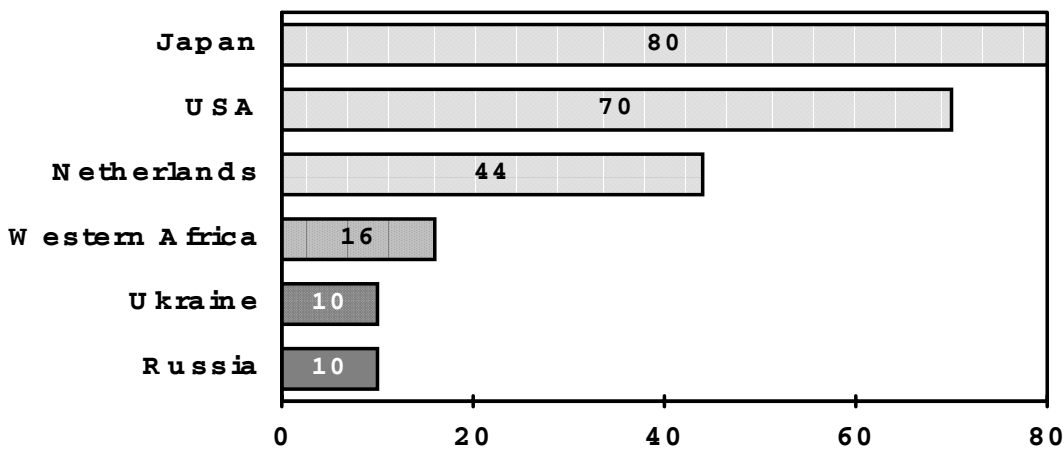
Sources: Data on USA, Western Africa, Russia and Japan are adapted from (18), p. 59, 84. Data on Ukraine and France represent the authors' calculations and are drawn from: (19), p. 25.

Figure 4. Masculinity Domination index



Sources: Data on Netherlands, Russia, USA and Japan are adapted from (20), p. 53-54. Data on Ukraine and Western Africa represent the authors' calculations and are drawn from: (21), p. 24-25.

Figure 5. Long-Term Orientation index



Sources: Data on Russia, Netherlands, USA and Japan are adapted from: (22), p. 54-55, and (23), p. 84. Data on Ukraine and Western Africa represent the authors' calculations and are drawn from: (24), p. 12-14, and (25), p. 87-88.

The fourth national cultural dimension (masculinity/femininity societal orientation domination) illustrates the macro- and microlevel division of roles between the genders within a society, and describes the domineering societal positions as to the traditions, changes, forms of the success etc.

In the “masculine” cultures such as those, e.g., of Japan, USA and Ukraine, the values traditionally considered masculine (individualism, showing off, achieving something visible, making money and risk inclination) permeate the society which, consequently, emphasises such personal traits as the assertiveness, resoluteness, conformism, performance, and competition. The domineering societal values here are the material (financial) success and progressive advancement; community promotes self-confidence, challenge and fierceness and advocates all expressions of the strength. Within such sociums women are expected to be tender and men, to be the sole promoters of their families’ prosperity. At the macrolevel the philosophy of “living for a work” dominates; therefore, within the labour organisation system the highest priority is given to the quality of a work performed and to the intellect and education of its performers. Accordingly, such an environment gives birth a specific HRM model which is characterised by a strict orientation, on the one hand, at the best workers, and on another, at the most resolute and persistent managers who tend to achieve their goals at any expense and see the “fairness” in advancing competition among their substitutes.

Oppositely, the “feminine” national cultures represented, e.g., in the Netherlands, Nordic European countries (Sweden, Norway), Russia and partly Western African states, promote social values that have traditionally been regarded as feminine, such as putting relationships before money, helping others and co-operative inclination, preservation of the environment etc. These cultures emphasise on the safety, community service, care for the weak, and solidarity. The domineering societal values here are the generosity, compassion, and personal (as opposed to the working) life; the socium above all advocates traditions and status quo preservation. At the macrolevel the philosophy of the “work for a living” dominates; therefore, within the labour organisation system the highest priority is given to the equality, loyalty and solidarity. Consequently, the particular HRM model is formed which educated managers to orient at the average workers’ qualification and performance, intuitively search a consensus and solve conflicts via the compromises, and to see the main way of the labour output increase in establishment of the friendly atmosphere and varied partnerships. And of course, within such sociums both women and men are allowed to be tender and are equally expected to care for their families’ well-being.

In conclusion, it should be stressed that this cultural “dimension” gives a useful instrumentarium for understanding the major tendencies and problem points emerging in the IR and HRM developments within different countries and regions of the world. Amongst other, it shows that the scope of 25-30 per cent of the masculinity domination appears critical for the formation of the “authoritarian” HRM model, distinguished by such features as lack of the workers’ participation, hardness and one-man leadership in managing employees. Our investigations (26) prove that this scope is characteristic to the national cultures of Russia, Ukraine, and many Western African countries (e.g., Ghana, Nigeria, Sierra Leone).

Finally, the *fifth* Greet Hofstede’s cultural determinant of the HR behaviour and management, called the long/short-term orientation, is the most complex in its structure and the most powerful in its socio-economic consequences; it includes all major levels of interrelations between a person and a society, and therefore, becomes a very important factor of the post-command economies development.

The analysis shows that cultures high on the *long-term* orientation focus on the future, and in the present tend to emphasise on such values that will not necessarily bring the immediate benefits (like the thriftiness, conscience, honesty, art, intellect etc.). Adding to the Hofstede’s research, we can state that cultures of this type are concentrated, primarily, among the Far Eastern countries (Japan, China) and in the Benelux region of Europe.

On the other hand, the *short-term* societal orientation is found in the great majority of global regions, including (but not limited to) such different countries as Brazil and Peru in the Latin and USA in the North America, Australia, India and Pakistan in Asia, Ghana, Nigeria and South African Republic in Africa, and FSU countries in Europe. These cultures are strictly oriented toward the past and present, promote respect for the traditions and encourage everybody's fulfilment of his/her social obligations. That fact deeply implicates the whole macromodel of the labour-management relations. For instance, Japanese managers, commonly displaying a long-term orientation, are always engaged in the process of the five-ten-year planning. Conversely, the U.S. managers who are much more short-term oriented, usually avoid the strategic planning, replacing this by the tactical decisions for the quarterly (yearly at the most) perspective.

In conclusion, the examined five "cultural dimensions" of the Greet Hofstede's management models proved to be decisive determinants of the varied national HRM models formation, both at their macro- (workers' and managers' behaviour, role of the state, dominating co-operative schemes, social partnership prospects) and microeconomic (corporate management, individual work ethics, incentives to increase the individuals' human capital) levels. Hence the profound importance of these cultural peculiarities consideration in the process of the African and post-command (European and Asian) countries' IR/HRM mechanisms transformation.

3. L.Harrison's "Cultural Values" Model:

Conclusions for Post-Command and Post-Traditional Groups of Countries

Another (more recent) attempt to illustrate the great importance of the national ethno-historical environment for any country's HRM model formation was undertaken by Lawrence Harrison. In his "cultural values" model (27) the researcher has revealed four fundamental institutional factors which pre-determine a nation's economic success: *radius of trust; rigor of the ethical system; exercising of authority; and work, innovation, saving and profit*. This section of the proposed paper discusses some prospects that such factors can have in optimisation of the IR/HRM mechanism advancement in the CEE, FSU and SWA regions.

The *first* determinant refers to an identification that individuals feel when co-operating with others within a society - in other words, to their sense of community. It was proved that countries with the large radius of trust are more likely to care for their citizens' progress and qualificational level improvement through the huge investments into the professional education, public health, and systems of the leadership training and social protection. We have found that the CEE (and particularly FSU) and SWA countries, as opposed to another part of Europe and Northern America, have not established such type of society, and consequently, do not demonstrate a significant interest towards the advancement of the mentioned elements of the Western HRM models and "best practises" of the labour-management relations.

The *second* factor (rigor of the ethical system) often derives from the national religion. It can deeply affect (and alter) a degree of the social justice within a country, a level of the legal process and judiciary's autonomy, and aptitude of all participants of the labour-management relations to solve disputes with the mutual agreements.

The *third* L.Harrison's cultural "value" (exercising of authority) can stifle the risk taking, innovation, and entrepreneurship by penalising the individuals' and/or organisations' initiative. The scientist's has proved that, if a national culture promotes an authoritarian value system, its economic success is less likely. Our analysis shows that this conclusion is describing the situation with the macro- and microeconomic development of the FSU (and, to a lesser extent, of the CEE and SWA) countries.

Finally, the *fourth* factor (work, innovation, saving, and profit) evaluates rationality, education, and orientation toward the future existing within one or another national culture. As its consequences are very close to those of the fifth cultural “dimension” in G.Hofstede’s model (the long or short-term orientation), it should evidently have the similar implications for the post-command model of the HR behaviour and management model development within the CEE and FSU states, and the post-traditional one within the SWA countries.

Summarising his study, Lawrence Harrison compares the economic success of a number of countries according to their position among his four “cultural values”. For example, he cites the fast and impressive macroeconomic achievements of such Asian cultures as Korea, Taiwan, Singapore e.a. that have the high trust and rigor of ethics, and low authoritarianism levels. These are clearly contrasted with the less economically successful cultures, such as the former Soviet bloc (Poland, Hungary, Russia , Ukraine, etc.) and most of the Western African countries which demonstrate the opposite levels of the respective “cultural values”. By this conclusion Harrison (as Hofstede earlier) proved a profound impact of the cultural environment on a country’s advancement: it promotes certain societal values that either aid or inhibit the elements of the macro- (nation, region) and micro (company, individual worker and manager) economic growth. However, *for the purposes of our study* the more important sequence of the examined models lies in the fact that the national cultural characteristics have a decisive impact on the approaches to managing workers. Amongst other, they strictly pre-determine the model of the education/human capital, political/legal and economic systems development, and hence, influence the ways managers behave in relation to their subordinates as well as their perceptions about the appropriateness of the various HRM practises. Here we consider useful to analyse some possible directions of such an influence.

First, national cultures strongly differ by such moments as how subordinates expect their leaders to lead, how decisions are handled within the organisational hierarchy, and (the most important) what factors motivate individuals.

For example, in the former East Germany, Russia/Ukraine and Nigeria managers usually achieve their status by demonstrating technical skills, and thus, workers look at them as at the sole source of assigning their tasks and resolution of the current problems. In the Netherlands and Belgium, on the other hand, managers are apt to focus on seeking a consensus among all parties of the labour-management relations, and therefore have to be constantly engaged in an open-ended exchange of views and in balancing of interests (28; 29). Evidently, these variance leads to the essential differences between countries in the process of selecting and training their managers.

Second, cultural peculiarities strongly influence the appropriateness of various HRM practises. Practises found to be effective in one country may be absolutely useless within a culture that has different cultural beliefs and values. To prove this, let us remind that the extent to which a national culture promotes an individualistic versus collectivist orientation will inevitably affect the effectiveness of the individually oriented human resource systems as well as of the corporate management mechanisms. In the USA companies focus their personnel selection systems, primarily, on the assessment of an individual’s technical skill, and, to a significantly lesser degree, of his/her social abilities. That contradicts to the practise of companies within the collectivist cultural environment: the latter focus more on the assessment of how well an individual worker performs as a member of a work group (30 and 31).

Similarly (*third*), national culture is able to influence the labour compensation system. Individualistic cultures often exhibit great differences between the highest-paid and lowest-paid individuals in an organisation, with the highest-paid often receiving 150-200 times the salary of the lowest. Meanwhile, the collectivist cultures tend to establish much flatter salary structures, with the top-paid individual receiving only about 20-30 times the overall salary of the lowest-paid one. The same refers to an individual’s perceptions about his/her “most profitable” organisational behaviour: whilst the U.S. companies tie salaries solely to the individual performance appraisal, the Japanese

enterprises are more inclined to reward a worker's subordination of his wishes and desires to those of his/her larger group; as a result, the individual-based American labour evaluation and incentives systems are completely ineffective in Japan, and are used very seldom within the Japanese industry.

And finally, *fourth*, the national cultural differences can affect the communication and coordination processes within organisations. Collectivist cultures, as well as those with the lesser authoritarian orientation, more highly appraise the group decision making and participative management practises. Therefore, when a person raised in an individualistic culture begins to work closely with colleagues from within a collectivist culture, communication problems and conflicts can often emerge [a valuable study of these conflicts re. FSU region was conducted by L.Randall and L. Coakley in (32)]. This implies the utmost importance for organisations in all countries to develop the "cultural diversity" programs focused on the ways of understanding the cultures of others in order to improve international economic communication. And only upon such programs institutionalisation at the microlevel, "the best" management practises of one culture would be able to be assimilated and creatively use by the others, thus contributing into HRM system's true globalisation.

4. Peculiarities of National Cultures and HRM Model Formation in the CEE and SWA Regions: General Conclusions

In conclusion, the post-command as well as many African economies today find themselves in the midst of various transitions, such as that to a new system of the human resources management. Transition times are always unsettling; but just as they offer problems and challenges, so also they offer opportunities to utilise the vast international experience of the industrial relations arrangement. And on this path the problem of defining the real powerfield of factors of the new HRM model formation receives for the CEE (in particular, the former Soviet Union) and Southern & Western African countries an utmost importance.

The external level factors are connected to the deep globalisation of economic processes and to the necessity of selection of such international IR/HRM findings that within different national socio-economic conditions can bring positive effects. Those specific compromised conditions of post-command economies, which combine both the collectivism and certainty of the state-led economy, and the individualism and uncertainty of the liberal pure market adjustments, represent the internal level factors of their contemporary HRM system creation. The research showed that they are above all pre-determined by the institutional (and hence cultural) particularity of the mentioned economies; therefore, thorough consideration of theoretical conceptions like G.Hofstede's "cultural dimensions" model must become an obligatory premise of the work aimed at comprehension of the potential future problems of the Eastern European and Southern Western African regions labour-management relations developments. Moreover, such analysis appears inevitable, at all stages of the command-market transition, for keeping a watchful eye on not only the description of the world HRM "best practices" but also on evaluation of their acceptability and utility limitations at various levels of national economies in the two mentioned regions. And it should be stressed that only thorough adaptation of these practises to the widely understood realities of the post-communist (and alike, the post-traditional) societies will originate inside them the sound forms of industrial relations fit to make a perhaps indispensable contribution to the survivability and transformation process in Eastern European (including FSU), and Southern-Western African countries. Elaboration of principles of such adaptation must be considered one of the principal objectives of the research over the contemporary trends and issues in global HRM system.

The proposed study which comparatively analysed various institutional models of the labour-management relations evolution was designed to make a first step towards such elaboration, i.e. to outline the peculiarities of the post-command general cultural environment, and describe the respective elements of the HRM mechanism evolution within the Eastern European and South-Western African global regions. Amidst other results, it enabled to show the most typical characteristics of the contemporary macro- and micro-organisational culture of Russia and Ukraine. By the examined cultural determinants, the HR behaviour and management systems existing in these two major FSU countries may be classified as having a: large power distance; strong collectivism aptitude, uncertainty avoidance, and masculine domination; short-term orientation and existence of numerable institutional barriers to innovations, saving and profit; very small radius of trust; strictness (rigor) of the ethical system; and finally, frequent exercising of authority. It is interesting to note that, judged by the level of all mentioned parameters, Ukraine and Russia have very much in common with the organisational structure of some African and Latin American countries; in such a way a very popular hypothesis about the “Latin-American variant” of their common transformation path finds its substantiation. Although the integral forecasting of this transformation (as well as modelling of the post-command IR/HRM system advancement) certainly requires deeper investigation and sociological inquests, still we suppose that our study enables to make some important conclusions.

First, we believe it is just the relatively large power distance, combined with the domineering collectivism and uncertainty avoidance aptitude typical for the CEE and (to a lesser degree) Western African countries that bear principal responsibility for the impediment of the post-command management reformation. For example, Ukraine still keeps to have very few small enterprises not because of the adverse legislation, numerable bureaucratic obstacles, or scarcity of the required capitals. All that, of course, has its influence on the mentioned processes. However, the main reason of their advancement lays in such significant trait of the Ukrainian mentality as reluctance of the people to undertake economic risk. Inquests show that the number of Ukrainians who demonstrate readiness for the risky decisions taking and foundation of their own business is considerably smaller than the citizens of the Central European states or the South African Republic.

Second, another important reason of the very slow transformational processes within the management system of the Russian/Ukrainian and (South-)Western African enterprises we see in the low development (and efficacy) of its *human resource* sector. This impotence is pre-determined, primarily, not by the high taxes but by the behaviour orientation of all HRM process participants: within the FSU countries managers and workers often prefer satisfaction of their chief's desires to satisfaction of the consumers' demand. As a result, at many post-command enterprises managers gradually transmute into medieval feudals whose main leadership principles are “separate and reign” and “initiative is punished”. The ineffectiveness of such a leadership, quite clear in general, becomes particularly dangerous within the contemporary conditions of the hi-tech hyper-competition, when a changing external environment and a well-informed consumer require more and more quality products at the constantly reducing prices. Therefore, to commence a reformation of their national management complexes Russia, Ukraine and alike Nigeria, Ghana and Sierra Leone first of all need to renew all levels of their *human capital* organisation and management.

Third, we found that the other typical feature of the post-command HRM system (the management paternalism when responsibility is shifted off to the higher administrators) is, again, explained by the domineering collectivism aptitude combined with the large power distance. Indeed, the CEE managers are panicky frightened of the independent decisions, always try to avoid risk and responsibility by shifting them off onto a higher administration body. Such “soviet” traditions are visibly expressed, e.g., in the hardly understood in the West inclination of the Russian and Ukrainian managers to co-ordinate all decisions about the joint ventures with the Council of Directors, acquiring a unanimous accordance. That procedure consumes much of a valuable time, and binds the linear managers' initiative. Besides, the risk rejection stimulates avoidance of the

unusual behaviour, sharpens a “Marxist” type feeling of the social justice, and intensifies readiness to equalise all subordinates.

Fourth, masculinity domination combined with the large power distance witness that the CEE enterprises’ organisational culture is characterised with the authoritarianism and rigor in the management decision taking, which fact has a profound impact on their organisational structure.

Fifth, experience of the best post-command and Western enterprises clearly illustrates that, to win the market competition, a manager has to be the most originaive, fast, and inventive, must consistently search for and creatively use the modern business strategies and management technologies and adapt them to the realities of the socio-economic advancement of his own country. And this conclusion brings one more corroboration of the well-known doctrine that, although national cultures are quite diverse and are likely to always remain such, still there exists much room for their international interaction - but only provided the managers thoroughly analyse peculiarities of their national ethno-cultural environment and select those foreign HRM “best practises” that are really able to be assimilated by their countries.

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CULTURAL DIMENSIONS OF INDUSTRIAL RELATIONS MODERNISATION: PECULIARITIES IN COUNTRIES OF CENTRAL AND EASTERN EUROPE AND STATES OF SOUTHERN AND WESTERN AFRICA

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