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Introduction

Today the Ukrainian industrial sector requires deep structural changes that would provide its adapting to the world market, and thus contributed to strengthening its international competitiveness. The domestic industry has lost the interest of foreign investors. First of all, it is explained by the lack of flexible structure of financial resources, low level of innovation processes, inaccessibility to credit, low level of production, a decrease in the efficiency of production facilities, a large proportion of overhead, imperfect pricing system and others. All this leads to a drop in solvency of the enterprise which is one the main features of reducing financial stability.

Under “financial stability” we should understand the level of stability ensuring solvency and absence of dangerous dependence on foreign sources of funding. Most decisions about improving the financial situation are made when the company is already on the edge of bankruptcy, but not when there appears the risk of insolvency. Therefore, the current leader is facing a number of difficult tasks, such as: to upgrade technology and expand the range of production, to optimize the organizational structure, to form

a model of scientific, technical and human resources company, to strengthen its position in the market business environment. This can be achieved by forming the value system of the enterprise adapted to current needs. Category “enterprise value”, which gained wide use in modern management, is a set of clear goals of the enterprise, embodied in its philosophy. That is, it is an urgency of the problem of corporate culture on domestic enterprises, which involves the formation of such a system of values.

Among the foreign classics that were involved in studying the phenomenon of corporate culture are: I. Ansoff, M. Armstrong, P. Veil, M. Grachov, H. Dauling, K. Kameron, E. Kapitonov, F. Kotler, R. Krychevski, A. Maslou, B. Milner, T. Piters, R. Ruttenger, R. Uotermen, H. Saymon, V. Spivak and others. Research issues of corporate culture are dedicated to the works of Ukrainian scientists, namely: O. A. Grishnova, G. A. Dmytrenko, V. A. Evtushevskiy, A. M. Kolot, G. V. Nazarova, O. F. Novikova, L. G. Panchenko, S. R. Pasyek, M. V. Semykin, V. I. Skurativskiy, G. L. Hayeta, A. V. Shegda and others. The successful implementation of strategic business objectives increases importance of understanding the role of head of corporate culture¹. It should be noted that today the role of management in its formation is not investigated.

1. Preconditions and principles of formation corporate culture as a tool of impact on the financial stability of the enterprise

Unfortunately, many of the local managers do not pay due attention to the formation of corporate culture. One reason for this attitude is the Soviet ideology, rooted in the minds of older generation. Lack of moral and psychological qualities in managing does not motivate employees, reduces their interest in the results of work and thus hinders the economic development of the enterprise. If developed countries in the business leadership create all conditions for professional development, then in the domestic environment they do not pay enough attention to social needs of workers. In the formation of the governing apparatus a bigger role play family ties or the financial standing of the candidate for management positions than promoting the employment of university graduates who during the training master fundamental aspects of western management. Another significant shortcoming of the domestic business are constantly growing differences in income management company and employees², which in turn creases social tension and destroys the interest of workers in results of their work. Meanwhile the leading companies in the world are conducting effective employment policy, involving collaboration of talented Ukrainian young professionals.

Young leaders are beginning to understand that corporate culture is one of the factors increasing the competitiveness of enterprises. But this understanding again

¹ I.G. Khymych, *Peculiarities of the corporate culture of domestic enterprises nowadays*, “Economic Space” 2009, No. 23/1, pp. 216–222.

² V.V. Romanov, *Economy and Production Management*, “Bulletin of the Khmelnytsky Institute of Regional Management and Law” 2010 [Electronic resource]. Mode of access: <http://univer.km.ua/visnyk/158.pdf>.

is influenced by western philosophy corporate culture without taking into account national circumstances. Corporate culture is mostly perceived as a combination of business style, manner of communication with the interior branding company. However, it is a much deeper and broader concept. Corporate culture is a coherent system of elements that mobilize staff to achieve the mission and the selected values, creating a unique social and psychological climate in the company and it contributes to an effective internal organization and rapid adaptation of enterprises in the market economy environment. Professional competence manager appears only when he does not simply copy the experience of foreign companies in shaping corporate culture, but tries to combine it with regard to the peculiarities of the Ukrainian mentality, formed by the Christian commandments.

Therefore, the current leader must possess all the personal and professional qualities, strategic thinking, leadership and must seek to harmonize enterprise values with individual values of employees. Note that the corporate culture of enterprise is defined by style guide³, that depends on decision-making and administrative attitude towards the subordinates. It is appropriate to cite Franklin D. Roosevelt's words, which highlight the main features of a real manager, "The best leader is one who lacks intelligence to pick the best employees for the work you want to do and restraint so as not to interfere with their work until they do it". The above statement applies to a more democratic leadership style, which, according to many scholars, has the most positive effects on the formation of high corporate culture. However, it should be used when employees understand their tasks and take the initiative in their performance.

Effectively organized manager is when he is able to seamlessly combine the autonomy of individual units (departments) and centralized management for the conservation values of the enterprise, including such as service levels, product quality, positioning of products on the market. This is the combining of elements of authoritarian and democratic styles of leadership. Identity management can be considered effective only when it is characterized by communicative competence manager and the adequacy of his attitude to the needs and interests of employees.

Communicative competence should be understood as not simply a set of communication skills and ability to psychoanalysis of the situation, knowledge of strategies and tactics to communicate with not only verbal and nonverbal means of communication, but also knowledge of traditions, customs and moral values to achieve effective interaction in interpersonal communication.

The basic principles of the head to facilitate the formation of high corporate culture are:

- 1) focus your work on improving the efficiency of the company (including profit) and strengthen its market position;

³ A. Nohinska, *The role of the modern leader in shaping corporate culture*, "Sources of Pedagogical Skills" 2009, Issue 3 [electronic resource]. Mode of access: http://www.nbu.gov.ua/portal/Soc_Gum/Vpm/2009_6/noginska.pdf.

- 2) be able to convince subordinates to actual performance of specific tasks and realistic perspective and their implementation;
- 3) consider the interests of all parties involved in a particular business project;
- 4) focus on customer needs in your activity;
- 5) provide subordinates partial autonomy, which, in turn, will cause self-improvement and a desire to develop professionally;
- 6) always show your professionalism and act aggressively, quickly, to be a leader, and set an example for subordinates;
- 7) promote policies based on the identification of employees in managerial, leadership and creative skills, promote their implementation and professional development of employees;
- 8) organically combine the autonomy of individual units (departments) and centralized management in the case when it comes to conservation values of the enterprise: the level of service, quality products and more;
- 9) actively involve employees in solving problems and making managerial decisions;
- 10) focus on “human capital”, that is, form strategic thinking;
- 11) never go out in their activities outside of professional ethics, support moral values, and promote physical and mental health of the staff;
- 12) maintain positive social and psychological climate in the team and help avoid conflicts;
- 13) develop in the employees the ‘team spirit’ for efficient execution of tasks.
- 14) increase confidence in subordinates to senior management, taking charge of their financial welfare;
- 15) be able to think big and promising, constantly improve their knowledge in order to release on new markets, attract investment and promote economic cooperation.

2. The main stages of corporate culture forming when you create an enterprise and organize the production process

The process of corporate culture should be divided into three main stages: infancy, stage of development, the stage of stabilization and further improvement. It should be noted that in the process of corporate culture it is necessary at all levels of management to apply a single style of leadership and provide accurate and timely transfer of information to the constant training, to enhance social responsibility to partners, customers, employees, government and others⁴. At each stage there must be clearly identified the main features in the head of corporate culture.

⁴ I.V. Hovrak, A. Shahovtseva, *Sutnisnyy content of corporate culture*, Economics: Human Resource Management [electronic resource]. Mode of access: http://www.rusnauka.com/32_PVMN_2011/Economics/5_96871.doc.htm.

Key elements of corporate culture should not be limited to external features (history of creation, myths, traditions and customs associated with it, production technology, food production, symbolism, etiquette, the nature of communication personnel, demeanor, business style clothing, etc.), as is usually seen in domestic enterprises. Corporate culture should reflect the level of legal, socio-economic and psychological connection between the employee and now, and the level of interaction with the environment. Therefore, the head should be a team of people or a separate department that will develop models of corporate culture.

At this stage it is important for companies to create their own website to help solve critical business objectives, the neglect of modern managers. In particular, these tasks include: presentation of the company to present full information about the company, finding new customers, communication with customers, involvement, initiative and search for artists, providing a forum for openness to the environment. The presence of effectively designed website opens new enterprise features, including positive perceptions and increases confidence in themselves. In addition, due attention should be given to the external attributes (pure and original signs, polite and tidy workers with the same items of clothing, use of branded pens, folders, notebooks, calendars and other office supplies, etc.), which in many domestic enterprises are not required, because it creates in employees a sense of belonging to the enterprise, and helps customers in shaping positive opinion about the high level of development and service of the company⁵.

The stage of development characterized by the formation of social, moral and cultural values of the enterprise is based on its mission. In this case it is expedient to use the experience in the set values of the leading companies of the world (General Motors, Ford Motors, General Electric, Apple, Philip Morris, Boeing, Hewlett-Packard, Kroger and others) that are rooted in the organizational philosophy of the company, they may serve as a guide in complex and unpredictable situations⁶. Here's an exemplary set of values for the company: the quality of products (services), performance, competitiveness, competence, professionalism, teamwork, caring staff, willingness to change, recognizing clients partnerships, innovation and more.

At this stage, when the company chooses methods of promoting their products, is looking for markets and ways of eliminating competition, the leader must show that he is responsible, conscientious and willing to take risks and create in the employees a clear picture of himself as a leader who not only sees the company in the future, and fully trusts the employees. Only with such a condition feedback is possible: staffs do their best to justify the trust of the manager. At this stage the manager should:

⁵ O.S. Belousova, N.A. Pashchenko, *The influence of corporate culture in creating a positive image of Ukraine's commercial banks* [electronic resource]. Mode of access: http://www.nbu.gov.ua/portal/Soc_Gum/Dtr_ep/2011_3/files/EC311_36.pdf.

⁶ G.L. Chajka, *Culture Business Communication Manager: Manual*, K.: Knowledge, 2005, pp. 442.

- form the organizational structure of the company, clearly distribute responsibilities among all subordinates, set part of each of them in general performance of the enterprise;
- provide a communication that will cover all levels of management and methods of formalizing information to respond to changes in the environment;
- develop methods of personnel (namely its set, evaluation and development), a system of moral and material stimulation of workers, ensure their career growth and a sense of social security;
- show psychological qualities, including the ability to listen to employees, to respond to their needs and take into account their interests;
- provide appropriate working conditions and promote positive social and psychological climate in the team, in particular to develop methods to avoid and overcome conflicts.

At this stage the manager to ensure rapid adaptation of personnel and efficiency of the company must put into practice the words of Harry Truman: “Quality management is the ability to make people do what they like, and convince them that they like it”.

3. Impact of leader’s professional competence on forming a model of corporate culture

Formation and development of corporate culture depends on the professional competence of the head (Fig. 1). This term shall mean the system of characteristics of a dynamic, modern technology and methods of solving management problems of different difficulty levels, allowing to work professionally with high performance⁷.

Strengthening of the relationship between the level of corporate culture of enterprise and professional competence managers determines feasibility of introducing innovative institutional arrangements to improve the competitiveness of enterprises through achievement of positive financial results and efficient personnel departments, individual responsibility of heads for their own development and preventing the management regression⁸.

Positive corporate culture can be observed only when the company takes a strong position in the market, effectively organizes production, and forms a positive image.

Manager at this stage must maintain a certain set of social, moral and cultural values of the company; behavioral and communicative stereotypes of shareholders, customers, partners, competitors, etc. to promote lifelong learning, creative and intellectual development of workers to form their strategic thinking involving employees in

⁷ V.S. Savelieva, *The Structure of Professional Competence of the Production Company*, “Problems of Modern Psychology” 2010, Issue 7, pp. 644–553.

⁸ U.S. Kulik, *The internationalization of professional development of managers*. Abstract. degree. cand. of ec. sciences: 08.00.02, Kyiv National Economic University of Vadym Hetman, K. 2010, pp. 22.

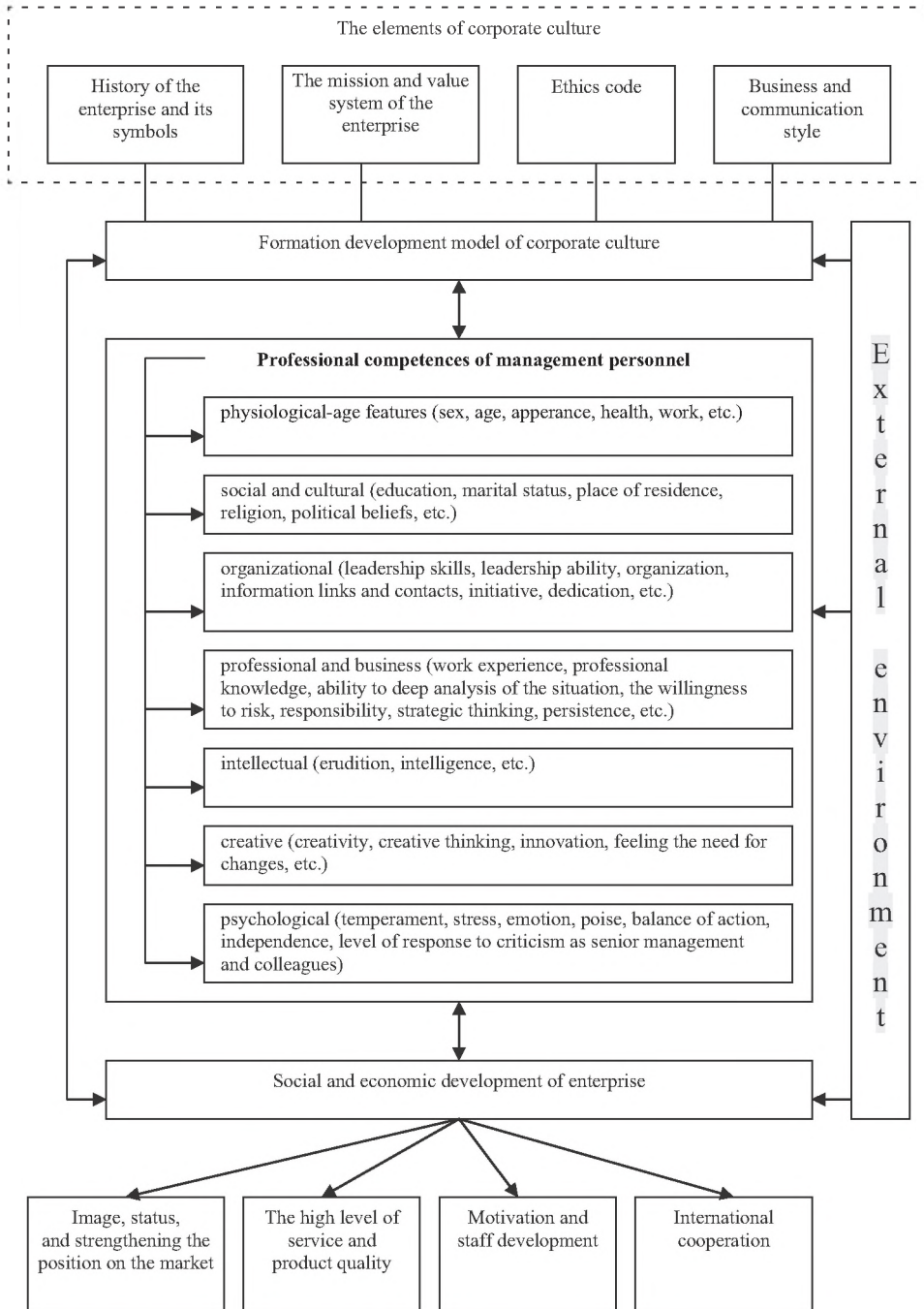


Fig. 1. The influence of professional competence of the formation model of corporate culture

solving problems and decision making. The manager should be able to create jobs for university graduates and provide them with free training to facilitate the emergence of new ideas, the formation of practical skills in the younger generation, and thus form a positive image of companies in the business environment, as well as support the basic idea of workers, ideas, images and ideologies that have developed during their activity, and socio-psychological climate in the team.

It should be noticed that during a period of time in the company corporate culture may be unacceptable under the influence of many factors, including changes in competitive conditions, political and economic situation in the state of scientific and technological progress. Therefore, the leader must be able to respond to changes not only in the domestic but also external environment of the enterprise and take necessary steps to change the model of corporate culture, using not only management but also psychological skills. Since most employees are afraid of changes (sometimes they cause fear and panic in the team) and long adapt to them, which in turn affects the effectiveness of their work, managers need to convince people of the need for such changes, not hiding any consequences.

The manager should well reflect changes in strategy and develop clear plan sequences of their actions, taking into account all possible outcomes. Employees should see what changes occur in favour of the company and should generate a signal result. In addition, they should feel their own need to implement such changes. Especially long is the adaptation of corporate culture to changes in management, which is relevant to the phenomenon of domestic industry.

Conclusions

Thus, forming a model of corporate culture in the modern business environment, managers need to analyze first the experience of the leading companies in the world that use corporate culture as a method of achieving high efficiency of production and employment, increasing the competitiveness of their products, thereby strengthening its financial stability in an unstable, not only domestic but also global economic environment. However, you should consider how this experience to effectively adapt to the conditions of the Ukrainian economy, especially given its historical, cultural, socio-economic and political background. The idea of forming a model of corporate culture in Ukraine is not found today in a wide practical application. Many industrial enterprises in Ukraine do not pay enough attention to the production of etiquette that is the basis for the harmonization of industrial relations. It is one of the reasons for failure of cooperation with European and world domestic enterprises, falling in demand for domestic products, lack of investments, and lower financial stability.

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Corporate culture as an important instrument of financial stability

The article focuses on research into the role of corporate culture in the context of maintaining the financial stability of the enterprise, increasing its competitiveness and solvency in unstable domestic and global market environment. The role of management, and the impact of leadership style and values of enterprises in shaping the corporate culture in the contemporary economy are investigated. The influence of professional competences of the head on forming a model of corporate culture is analyzed.

In addition, the basic principles of the leader to facilitate the formation of a high level of corporate culture and three key stages of its formation are determined.

Kultura korporacyjna jako istotne narzędzie stabilności finansowej

W artykule skoncentrowano się na badaniu roli kultury korporacyjnej w kontekście utrzymania stabilności finansowej przedsiębiorstwa, zwiększenia jego konkurencyjności i wypłacalności w niestabilnym krajowym i globalnym środowisku rynkowym. Zbadano rolę zarządzania oraz wpływ stylu kierowania przedsiębiorstwem i wartości przedsiębiorstwa na kształtowanie kultury korporacyjnej we współczesnej gospodarce. Przeanalizowano oddziaływanie kompetencji profesjonalnych kierownictwa na tworzenie wysokiego poziomu kultury korporacyjnej.

Ponadto przedstawiono podstawowe zasady kierownictwa ułatwiające stworzenie kultury korporacyjnej o wysokim poziomie oraz kluczowe fazy jej kształtowania.