ETHICS AND AESTHETICS OF ORGANIZATIONAL CULTURE:
THEORETICAL PERSPECTIVE & EVIDENCE FROM PRAXIS IN UKRAINE AND RUSSIA

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In their book *In Search of Excellence,* Peters and Waterman (1982) speak about organization as culture. Culture of an organization has very clear and distinct effects on firm's effectiveness (Gregory, et al, 2009), and therefore may be considered as one of the pillars of high performing organization. Schein (2004) defines organizational culture as set of beliefs, values, and assumptions that are shared by members of an organization. While it is "created by shared experience, [...] it is the leader who initiates this process by imposing his or her beliefs, values, and assumptions at the outset" (Schein, p. 225). Leaders have significant impact on organizational culture by embedding their personal values and beliefs through following primary embedding mechanisms: (1) what gets most of leaders' attention and what leaders control the most, (and as an opposite, what does not get leaders' attention at all) (2) how leaders respond to crises in organization, (3) how leaders allocate resources, (4) actual role modeling, teaching and coaching by leaders, (5) what actions / achievements get rewarded by leaders, (6) how leaders recruit, select, promote and excommunicate (Schein).

However, culture is not only built around rational and technical activity of its members. Organizational cultures are rich in meaning and emotions (Brown, 1992). The aesthetics approach to organization suggests that it avoids "the cognitive and rational error of ignoring the bodies of the people involved in the decision process and only considering their minds" (Linstead & Hopfl, 2000, p.20). In other words, the culture embedding mechanisms outlined above, according to aesthetics approach seem to consider only "the minds" or rational process of creating a culture. The qualifier aesthetic means that organization may be perceived as beautiful or ugly and this perception may be based on odors smelt, the noises heard and surfaces touched, and on leaders, who may work with elegance and pleasure, and may have beautiful personalities (Linstead & Hopfl).

Aesthetics is very closely related to ethics. Irvin (2010) posits that

this relationship is strong and is getting stronger as the study of aesthetics is moving form strictly the study of arts to the study of human interactions. The author argues that interactions between aesthetics and ethics are complex and widespread.

At this present time it seems that Ukrainian organizations miss the point of aesthetics approach to an organizational culture. There are number of reasons why: they range from not having funds to renovate offices and work spaces to not seeing a value in doing these renovations and to leaders not leading with elegance and pleasure. While fixing the former requires financial investments, the solution to the latter problem does not require financial investment as it focuses on the individuality and character of a leader. This is very sensitive topic as in our postmodern world there is no absolute authority with regards to ethical standards that one should follow. However, leaders should not make a mistake by thinking that this component of their leadership is not important. Ukrainian employees are acutely sensitive to the experiences that they have with their leaders.

Interviews conducted with Ukrainian employees as part of qualitative inquiry into effective leadership paradigm in Ukraine and Russia yielded the following results.

Both Russian and Ukrainian respondents place high value on the ethical stance of their leaders. Strong moral values were assigned to respect / disrespect that a leader shows his or her followers, "I was highly demotivated when I was investing myself in a project and when I finished it my boss scolded me in front of my subordinates for a slight oversight that I made. He really humiliated me in front of my subordinates" (Ukrainian respondent). Another respondent from Ukraine states, that she does not mind being reprimanded if she has made a mistake, yet it should never be done in front of her peers and subordinates. Russian respondent confirms that disrespect shown by a leader towards him is always very displeasing and demotivational. It ends his partnership with the leader. A Russian leader acknowledges this dynamic, "I believe that even if my employee is at fault, I need to talk to him one on one. If I do it publically, it humiliates a person. My employees would stop respecting me if I did it. It is a taboo to reprimand anyone in front of the team. You may praise a person in front of others, but do not reprimand!" Another leader also believes that "the main criteria for good leadership is respect for people, regardless of the position they have in organization". Indeed, "the leader is appreciated because he does not belittle human dignity, and is just to all" (Russian

respondent).

Another unethical behavior of a leader according to Russian and Ukrainian respondents is not following through on promises or deceit. "I was promised for a year that I will become a branch director. They were preparing me for it. But then they assigned someone else to lead this particular branch of our organization. I did not want to work in that organization at all. If I did not have loans to pay off, I would have resigned right on the spot. I did resign and left an organization a year and a half afterwards, because of this very reason" (Ukrainian respondent). "At my previous work they owed us money, and kept feeding us promises that they will pay us month after month. I could not trust these leaders anymore. How can I work for a person who is so deceitful, when he promises something and does not fulfill his promise?" (Ukrainian respondent). "I do not respect the leaders who do not fulfill their promises, when they tell you that when you complete this work you will get this much, and then they do not follow through on their word" (Russian respondent). "It is not right when a leader deceives you by promising a raise and then using different excuses for not following through" (Ukrainian respondent).

Future research may focus on how "leading with elegance" may look like in Ukraine and/or Russia. While this may not be the urgent topic in an economy where people are in a survival mode, however, it is an important topic that may help develop organizations long into the future.

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