

# **WAYS TO FORM SUSTAINABLE DEVELOPMENT VALUES IN LOCAL COMMUNITIES**

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## **INTRODUCTION**

The concept of “civil society” and “community” became an integral part of modern life, and the task of sustainable community development is nowadays discussed not only in sociology but also in economic science.

Community development is a dynamic socio-cultural process that is not limited to the development of a territory. It includes the concept of a “community-based approach”, which means that a person is considered to be the founder and the heart of any evolutionary process. Community development does not only include prosperity, the level of salary and per capita income, etc. It is, first of all, social changes, through which new initiatives and new institutions are created in the community and social capital increases. Historically, these changes have occurred as a result of the long-term evolutionary process, but nowadays they mostly occur as a result of the educational process.

Therefore, the concept of sustainable development, which harmonizes economic, social and environmental components of development, and does not violate the balance of interests between present and future generations, should form the basis of modern communities’ development programmes. The task of developing effective economic mechanisms to stimulate positive changes in the functioning of communities and facilitate the implementation of sustainable development standards is therefore urgent nowadays throughout the world. Regarding Ukraine, we should say that effective administrative and territorial reforms may only take place on the basis of the sustainable development principles of existing communities.

## METHODOLOGY

Ethnometrics is the field of ethnosocial research that analyzes the mental characteristics and their changes in different ethnic groups using formal (mathematical) methods. It is engaged with the issues of quantitative analysis of social changes occurring in society.

The most popular ethnometric techniques in modern scientific research are:

- 1) The technique by the founder of ethnometrics G. Hofstede. It was proposed in the early 1970s (electronic resource - [www.geert-hofstede.com](http://www.geert-hofstede.com); (Hofstede, 1980));
- 2) The technique by the international project GLOBE (Global Leadership and Organizational Behavioral Effectiveness), implemented in the 1990s under the leadership of R. House ((House, 1999)). The technique is close to the one by G. Hofstede;
- 3) The technique by the international project WVS (The World Values Surveys), implemented in the 1990s under the guidance of R. Inhlhart (Inhlhart, 2002);
- 4) The technique by F. Trompenaars, developed in the 1990s (Trompenaars, 2004).

Russian scientists Y. Latov and N. Latova made an analysis of these techniques and concluded that the uncertainty and diversity of the cultural dimensions is associated not only with the shortcomings of these ethnometric techniques but also with a weak empirical basis of the research (Latova, 2008). The scientists mostly use the ethnometric technique by G. Hofstede in their research, because required data is available.

For the same reasons, we have also used the technique by G. Hofstede as the basis of the methodology in our research.

The technique by G. Hofstede is based on the determination of five cultural dimensions, which provide the opportunity to characterize and describe the dominant value systems of different countries and ethnic groups (Hofstede, 1980):

- 1) The Power Distance Index (PDI) is the extent to which the less powerful members of organizations and institutions (such as the family) accept and expect that power is distributed unequally. This represents inequality (more versus less), but defined from below, not from above. It suggests

that a society's level of inequality is endorsed by the followers as much as by the leaders.

- 2) The Uncertainty Avoidance Index (UAI) deals with a society's tolerance for uncertainty and ambiguity; it ultimately refers to man's search for Truth. It indicates to what extent a culture programmes its members to feel either uncomfortable or comfortable in unstructured situations. Unstructured situations are novel, unknown, surprising, different from the usual. Uncertainty-avoiding cultures try to minimize the possibility of such situations by strict laws and rules, safety and security measures, and by a belief in absolute Truth at the philosophical and religious level. The opposite type, uncertainty-accepting cultures, are more tolerant of opinions different from what they are used to; they try to have as few rules as possible.
- 3) Individualism (IDV) on the one side versus its opposite, collectivism, that is the degree to which individuals are integrated into groups. On the individualist side we find societies in which the ties between individuals are loose: everyone is expected to look after him/herself and his/her immediate family. On the collectivist side, we find societies in which people from birth onwards are integrated into strong, cohesive in-groups, often extended families (with uncles, aunts and grandparents) which continue protecting them in exchange for unquestioning loyalty.
- 4) Masculinity (MAS) versus its opposite, femininity, refers to the distribution of roles between the genders, which is another fundamental issue for any society and to which a range of solutions are found. A series of IBM studies revealed that (a) women's values differ less among societies than men's values; (b) men's values from one country to another contain a dimension from very assertive and competitive and maximally different from women's values on the one side, to modest and caring and similar to women's values on the other. The assertive pole has been called 'masculine' and the modest, caring pole 'feminine'. The women in feminine countries have the same modest, caring values as the men; in the masculine countries they are somewhat assertive and competitive, but not as much as the men, so that these countries show a gap between men's values and women's values.
- 5) Long-Term Orientation (LTO) versus short-term orientation is an indicator of how a society tends toward pragmatism and is strategically oriented to

the future, as opposed to traditionalism and short-term (tactical) orientation. Values associated with Long-Term Orientation are thrift and perseverance; values associated with Short-Term Orientation are respect for tradition, fulfilling social obligations, and protecting one's 'face'.

**The purpose of the paper** is to justify the hypothesis that participation in international economic cooperation programmes can effectively influence the change in values and norms of a society's (community members') behaviour, particularly towards the formation of an institutional environment for sustainable development.

## RESEARCH RESULTS

According to the cognitive concept of culture, foreign partners benefit from international cooperation due to the enrichment of socio-cultural values of successful world business cultures (Holden, 2005).

Following this statement, one can assume that international economic cooperation programmes can serve as an effective translator of international values and norms, which in turn change standards of behaviour in Ukrainian communities.

We decided to test this thesis analyzing the results of the UN Development Programme (UNDP) "Community-based Approach to Local Development", which was launched in Ukraine in September 2007 (CBA/UNDP, 2007). The programme is funded by the European Commission and co-financed and implemented by the UNDP in Ukraine in support of the Government of Ukraine.

Locally, the project works with involved communities (self-governing community organizations, activists and community members) and local authorities (village and city heads and councils, regional councils, regional administrations).

The purpose of the programme is to create an enabling environment for sustainable socio-economic development at the local level by promoting community self-organization, development and implementation of small-scale community initiatives in all regions of Ukraine.

However, the main result of the micro projects was not a solution to the real and urgent problems of community development, but mechanisms of

self-organization of communities and interaction between communities and government, elaborated by international standards of sustainable development.

While taking part in the project, the community was responsible for (with the assistance of local authorities) supporting the sustainability of the process in order to get positive results in future.

The analysis of a current community development in Sumy region showed that after micro projects were implemented, communities continued their work based on their own projects rather than aid ones. For example, the community of Buimer village in Trostyanets district of Sumy region implemented a micro project of a new water supply system construction supported by the international programme CBA/UNDP. The community continued its work after the project was over. The community members, guided by their own initiative, raised money and successfully implemented an energy efficiency project and a street lighting project in the village.

We decided to use the ethnometric technique by G. Hofstede to examine the changes in social and cultural values of community members. Usually the technique is used to compare social and cultural values of different ethnic groups, whereas we decided to use it to identify the dynamics of social and cultural characteristics within a certain ethnic group.

Using the technique we calculated and conducted a comparative analysis of value indicators of community leaders who participated in the international project CBA/UNDP and of the communities that did not take part in international programs. The results are presented in Table 1.

The results in Table 1 confirm that there is a change in a community members' socio-cultural characteristics towards the sustainable development values. The data in the table show the significant success of the UNDP "Community-based Approach to Local Development" in bridging the gap between government and citizens (the Power Distance Index decreased from 85 to 50). The other indicators did not change so much, but we should not forget the fact that, even though the project started only 3 years ago, international mechanisms of economic activity coordination have changed the values of middle-aged people.

**Table 1: Results of a comparative analysis of social and cultural values of community leaders who participated in the international UN Development Programme “Community-based Approach to Local Development”**

Characteristics of socio-cultural values of community representatives	Power Distance Index (PDI)	Uncertainty Avoidance Index (UAI)	Individualism /Collectivism (IDV)	Masculinity /Femininity (MAS)	Long-Term Orientation (LTO)
Average scores for countries that are leaders in implementing Sustainable development principles *	35	56	72	41	70
Average scores for the community members that took part in the international programme CBA / UNDP	50	80	45	56	25
Average scores for the communities that did not take part in the international programme CBA / UNDP	85	90	40	60	22

\* Calculated based on the data from G. Hofstede's research // [www.geert-hofstede.com/hofstede\\_dimensions.php](http://www.geert-hofstede.com/hofstede_dimensions.php)

The question arises “What mechanisms caused the change in social and cultural values and, consequently, in the economic culture of Ukrainian community members who participated in the UNDP project?”

Analysis of the programme and the results of the sociological survey allow the creation of an additional hypothesis that this method of funding is the most effective one to change values and behavioural norms.

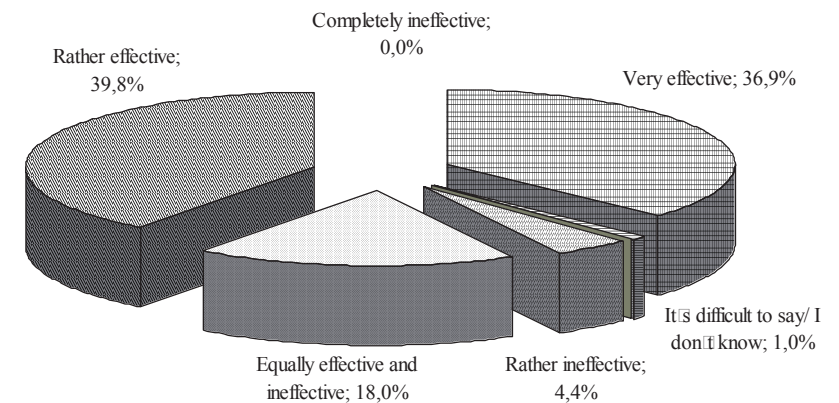
According to its financial plan, the project provided small-scale grants for implementing micro projects in communities based on the principle of cooperation between private and public sectors, according to which each partner had to contribute to the development. The mechanism of financing the programme predicted that part of the cost of the micro projects shall be financed by community members (not less than 5%), while the other costs are funded by central and local budgets (45%); the participation in CBA/UNDP was nearly half of all the contributions (50%) .

The funding method was an institution that motivated the community for self-organization, initiative work and fruitful cooperation with the authorities.

A sociological survey by the Kiev International Institute based on the results of the first phase confirmed the effectiveness of the UNDP project financing scheme.

Taking the opinion of the focus groups into account, in general, all interested parties also rated the scheme as a good co-financing design and viable.

**Figure 1: Estimation of effectiveness of the current co-financing scheme (percentage from all regional experts, sample size n = 206) [7]**



This conclusion is confirmed by the statements of regional experts. In general, the experts evaluate the financing scheme as an effective one. The respondents mostly argued that it should be left as it is. The main value of the financial model is in synergies, where all the participants achieve a result that each participant individually could not achieve.

To deny or confirm the views of some of the interested parties, it is appropriate to check the data from the representative survey of experts. The general opinion of the polled experts is that the co-financing scheme is generally effective. A proportion of 75.7% of the respondents (67.9%–80% of experts in various UNDP projects) characterized the scheme as “rather effective” or “very effective”, while only 4.4% of the respondents rated it as “rather ineffective” or “completely ineffective”.

However, during the research some regional experts indicated a number of difficulties related to the funding of community projects. The difficulties concern the process of collecting membership fees from community organizations, search for external financing, delayed receipt of the money from the state budget and the UNDP projects. These problems can be solved through negotiations with the interested parties.

Focus group participants also expressed their proposals to reduce the bureaucracy and speed up the documentation and funding. Another idea was to increase the share of financial contribution of the UNDP, because neither the communities nor the local authorities have any opportunity to increase their own share of funding significantly.

Another source of information is a survey among the community members, in which managers of community organizations raised a question about estimation of the effectiveness of co-financing schemes (because they are more competent in answering the question compared to ordinary members of community organizations). According to the survey, despite the cases of criticism on the existing co-financing schemes, only 3% of respondents rated it as “rather ineffective” or “completely ineffective”, while 33.3% of respondents described it as “rather effective”, and 48.5% as “very effective”.

An interesting relationship was identified: estimation of effectiveness of community co-financing by leaders of organizations is interconnected with the extent to which these respondents feel confident in communication with the authorities. (The more confident the respondents feel, the higher they evaluate the effectiveness of the introduced cost-financing scheme.)

When analyzing the views of different target groups based on the data from in-depth interviews, it becomes clear that their views differ.

Some community members and heads of village councils indicate that it is difficult to collect membership fees. Not all the members can make even a minimal contribution, although they are aware of the need to pay the fees so that the purposes of community projects can be achieved. Indeed, the project staff expected that putting in even small amounts of money by community members would require some time (to achieve the target level). It is therefore possible to interpret the statement as follows: objective and subjective difficulties reflected in the form of verbal anxiety appear among low-income families in situations of untimely compliance of requirement. Maecenas supported funding of community projects, although there was an incident where a head of a village council persuaded local businessmen to invest in the project communities.

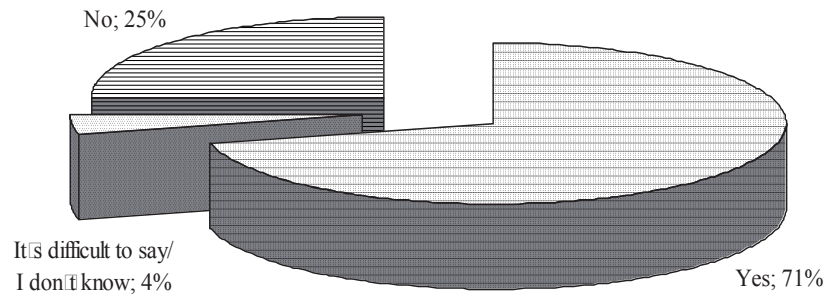
Members of regional and local authorities are interested in implementing community projects and seek to help both financially and organizationally. They contribute to documentation, a dialog with local authorities, help search for sponsors. Members of local authorities desire to get financial aid that in fact would decrease their own financial contribution. According to most local authorities, there is no money in local budgets for co-financing. In some cases, regional authorities supported the communities with an additional contribution from the budget.

On the other hand, members of some communities are willing to reduce their shares in case they will be funded more by the local authorities. Citizens believe that the community's contribution will still be significant due to unpaid work on the sites. However, even in the worst case for community members – if the share of community funding increases – the community will benefit all the same, because by paying a small fee, community members get a result which is several times higher than what they invested.

Despite some critical opinions expressed by part of the respondents considering the co-financing, most regional experts informed about additional contributions from the participants (without the UNDP) – 71.4% of experts (51.8–78.7% in various UNDP projects) did so (see Figure 2 for details).



**Figure 2: The answer to the question: “Do you know about cases where community members, local businesses or local authorities financed the projects at a proportion greater than the minimum?” (percentage from all regional experts, sample size n = 206) [7]**



This indicates the potential willingness of some local partners to increase the financing. According to UNDP project data, the general contribution of the UNDP is decreasing, and the share of local partners is growing. In general, the financing scheme is viable. It may be even more effective in the future if the local capabilities and features are considered, and the solutions proposed by surveyed experts are applied.

## CONCLUSIONS

Participation in the UN Development Programme “Community-based Approach to Local Development” actually changed the mechanisms of self-organization and management of communities which took part in the international programme. It is primarily about institutional changes in the society via the implantation of international standards for sustainable community development. The main driving force for the institutional changes was the international standards for project financing and control mechanisms for their enforcement.

There is a necessity to develop an appropriate state policy. Without such a policy, the potential of the private sector will not be used effectively in the local sustainable development process. There is a need to enlarge cooperation with local businesses to attract their potential support to self-help initiatives of local communities.

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