# THE SPECIFIC KINDS OF ECOLOGICAL POLLUTION IN ORGANIZATIONS

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#### Abstract:

One of the problems occupying the public in Serbia is ecology definitely (environmental protection, sustainable development, and so on), relating mostly to the so-called "classical forms of pollution of water, air and land". For now, the human "pollution" of the human population is almost completely neglected, as a special ecological decease of the humankind, that, through emerging negative characteristics of the person (greed, negligence, arrogance, and so on), causes the derogation of organizations and, through them, the entire society. The above cited, and other negative characteristics, bring together to the disharmony of the organization, and wider, to the appearance of national, as well as over-national forms of the human degradation.

Key words: human pollution, ecology, corporative culture

JEL classification: M14, P26

### 1.INTRODUCTION

One of the substantial characteristics of the contemporary world is the process of transition in all the segments of human activities and all the forms of the organized labor. It is indisputable that transition is a continual process, but today (it will probably be so later in the future), with dramatic indicators of acceleration; it is a problem to adapt to these processes. In this process, it is characteristic that different nations, as well as different organizations, are in different positions and different phases of transition, from the step out into post-industrial societies (developed countries) to the beginning of the modern industrialization (developing countries). Some countries (nations) are in a special phase, the so-called former socialist block (or part of it, where Serbia belongs). These countries are in the phase of radical and complex reorganization of the complete system, representing in its form the transition to market economy and democratization of the open society. We can freely say, it is about the transition of one society into another quite new society.

The contemporary (current) transitional period, in relation to the previous ones, is realized on the basis of much higher level of material and social development, new technological revolution and computer shocks, on one side, and new civilization accomplishments (human rights and freedoms, new scientific achievements, growth of living standard, open society, and so on) on the other side. Multidimensionality of the social transformation is characterized by heterogeneous changes – property transformation, class transformation (expressive class divergence in the society, as well as the transition of class societies into mixed ones), participation of workers in the corporation management, new value system matrices (from humanization to criminalization).

The cited changes have spread over the Serbian society. It would not be a problem, but they have been forced according to the model "quick, either by a shortcut or not at all" [Ilic, 2003]. A complex, dramatic, long lasting and contradictory process is

carrying out, with the abundant support of the State, being offered as the "flight from socialism and the assault to capitalism" [Ilic, 2003], and as a magic solution of all problems of the former (socialistic) system and a sure way to well-being. The fast and unconditional privatization and fast market liberalization is promoted in the national strategy, without any preparation of the greater part of population whose lives have been changed, and who have been silent and helpless spectators excluded from this process (90% of them) [Ilic, 2003].

### 2.TRANZITIONAL CHANGE IN ORGANIZATIONS

Looking from the level of organizations (enterprises, institutions), we can notice the identical legality – the imperative of fast, radical, all-inclusive and dramatic changes. To surmount all the problems that obligatory follow these changes, many scientific and educational institutions and individuals have included in organizing scientific meetings with the themes concerning management, strategies, visions, and similar transformations in organizations. These undertakings are praiseworthy, except one –they have been "elitist", i.e. they have not reached the political structure - the main executors of transitional changes, nor even to the wide social layers – the main "victims of transitional changes". As it is the case with the whole society, changes in organizations are also all-inclusive and complex and they are all can be defined in the syntagma "affirmations of new values defining the relationship between the employees and the new organization" [Vracar, 1997]. The basic connective tissue of every organization is the corporative culture, both the integration of the individual in the organization or the organization in the environment. This corporative culture is, in this sense, the set of values, ideas, symbols and rules of behavior accepted by the staff in the organization, and which is expressed in all the external and internal communications of the organization, and finally, the image of the organization is based on it.

One of the key levers of managing changes in organizations is the change of their culture, i.e. the change of value system and identity of the organization. The grasp and depth of changes depend on it if the management of the organization timely and seriously notice signals that warn against problems, and if the management responds to them, leading the organization into a good or difficult situation.

We shall probably agree that the cited attitudes are general principles affirmed in theory and practice. This is not difficult to assert because it is the elaboration of the basic management principles that are taught in every school dealing with management. We can rightfully put the question: what is the problem and what this work for?

The answer to this question lies in the fact that the biggest (exaggerated?) attention is paid to the property transformation in organizations (privatization of the former social ownerships) at this moment of the all-inclusive transition in Serbia, and insufficient or no any attention to communications, as a good basis of the oriented transformation in organizations. In this way, the only active element, the employees, are omitted from the process of transition, which are the target element to start and lead transformation. The best illustration of this assertion is in the fact that, according to the estimation of the Ministry of Economy, over four million of grown-up citizens of Serbia

are omitted from privatization of the social property. It turns the process of privatization into the "elitist" one, being so deeply unjust and traumatic one.

Even this, one of the numerous facts of inadequate communications<sup>1</sup>, endangers the problem of cultural dimension of property transformation that induces the understanding of the whole process, dissatisfaction and disorganization, frustration and reluctance. This phenomenon of mixed negative emotions, known in the literature as the "transitional shock", has been experienced in Serbia as a big civilization injustice in order to correct another big historical injustice, the process of nationalization after the Second World War.

## 3.THE CONSEQUENCES OF TRANSITION TO ORGANIZATIONS AND THE ORGANIZED LABOR

The scientific, professional and nonprofessional audience agrees that transitional process in Serbia is characterized by the fact that (comparing to the other countries of the so-called socialist east European group) it is the worst prepared technically, lasting the longest. It has the highest rate of unemployment, with the most adverse foreign trade balance. Overall, it has the worst previous results [Matejic, 2006]. Therefore, these negative results are explained by the low level of the total social organization and thus, a bad preparation for fast, efficient and qualitative changes.

Many big changes in the short period exceed the total political, social and organizational capacity of the Serbian society, being, contrary to the other transitional societies in East Europe, additionally tired of the events immediately after the tragic past – the high inflation, wars, sanctions and bombing by NATO.

In this situation, the process of organizing the society in Serbia is being carrying out under the dominant influence of administrative mechanisms of the formal system, first of all, the legislative power, and then under the pressure of requirements of the environment relating to the process of joining the European Union. These mechanisms, disregarding how good they are, have not moved the internal (substantial) organizational processes, which are more complex and require more personal and group energy.

## 4.IN WHICH ELEMENTS HAS THE PROCESS OF COMMMUNICATION FAILED?

If we come back to the cited principles of efficient management, we shall see that communication can be defined as the "blood circulation of every organization" [Stoner J.A.F, 1997], i.e. a bad communication or its absence, having the same effect as the cardiovascular disorder.

The basic characteristics of the process of communication are:

the beginning of applying the so-called "free shares", in less than two months), over 2,100,000 citizens have been registered to get shares without compensation.

<sup>&</sup>lt;sup>1</sup> To correct is "its", i.e. the Governmental omissions to inform the population about the property transformation, the Government of Serbia has announced on its web site (<u>www.merr.sr.gov.yu</u>) the manual "How to Get Free Shares". It is done in illustrated forms, in order to attract the attention of people (especially those at the low educational levels) and make information available as much as possible. From

- Different perceptions;
- Emotions;
- Disagreement of verbal and non-verbal communications; and
- Previous trust and distrust between the parties in communications.

**Different perceptions** are one of the most often disturbances in communications. They are usually the consequences of different knowledge and experiences so the same phenomenon or process is differently perceived. If the process of privatization in organizations is perceived from this standpoint, then this process is a technical and organizational question for one structure (management, for instance), that includes the process of evaluating the social capital value, share allot or sale, and, at the last stadium, share market trading. Alternatively, for the other structure (the employees), this process is a chance to possess shares and, by selling them, to have enough money to solve, in principle, all existential problems appearing as the consequences of the transitional process.

Different perceptions in the same process of communications can be drastic because:

- Language differences, i.e. different perception of the same message;
- Sex differences, i.e. different styles and ways of speech used by men and women, even in the same culture;
- Differences in message shaping i.e. that hide the substantial elements of messages, in order to realize some personal or group benefits.

To overcome the problem of different perceptions, it is necessary to shape messages in the way the recipients of different education, different attitudes, views and experiences can understand them in the same way. Experiences of the privatization process in Serbia are interesting because a great number of the employed, as well as the retired, had possessed shares of their current or former enterprises, and then they heard for the first time the words: shares, vouchers, stock exchange, broker, shareholder, and similar. They did not understand the meaning of these words, as well as the essence of some categories in the economic sense; perhaps, they would never understand the processes relating to these categories.

**Emotional reactions** (love, hatred, anger, fury, fear, confusion) exert influence on understanding the messages sent, but they can be induced by the way and form of these messages. It is possible that the process of privatization in Serbia, by its way of carrying out, speed and consequences, is in disharmony with the expectation of most employees, therefore the emotional reaction expressed from the desperate chaining for the fences and gates of enterprises to the complete indolence and indifference to these processes. Very often, every sense has been lost in reactions, and it is considered the consequence of an enormous existential fear. There are rare cases of serious and objective analyses of the cited processes and their previous effects, as it is the case with researches done by the Association of Branch Trade Union "Independent" published in January 2005. According to this research, and with the help of the Italian Trade Union Progetto Sviluppo, a pattern of 50 enterprises (organizations) was included, where privatization was done, and the Trade Union representatives, as well as the current owners were included in this research.

<sup>&</sup>lt;sup>2</sup> www.nezavisnost.org.yu/document/Privatizacija u Srbiji.doc

The most important results of researches relates to the following:

- Dramatic level of the discontent of Trade Union activists and the employees was stated in relation to the position and rights of small stakeholders. The fourth-fifth (80%) were dissatisfied by the level of respecting the small shareholders in practice. Every tenth of Trade Union agency in privatized enterprises were satisfied by the legal protection of their rights;
- It is noticeable that managers (management) in enterprises, even the representatives of other trade unions (The Union of Independent Trade Unions of Serbia) prevented and obstructed the process of privatization;
- Process of privatization was additionally made difficult by the unreadiness of inter trade union cooperation and agreement;
- There were numerous disputable and unsuccessful privatizations.

We should add data (the same source) on negative effects of privatization to the previously cited research results:

- There were new employees in two-fifth of the privatized enterprises, but in a small volume (1-10% of the employees);
- Additional dismissal of workers happened in one-fourth of the privatized enterprises (till 30%);
- Half of the dismissed workers, or in any other way removal from job were with no any other income;
- New investments were in one-half of the privatized enterprises, while the second part of them vegetates by selling some supply and renting the business space.

For this and many other reasons, the sense of frustration, unfilled and easily promised well-being by politicians, the workers in Serbia have been in the state of stress for many years (practically since 1990), have worried about their future and their family's future, therefore they often commit suicide<sup>3</sup>. The situation is aggravated by the fact that employers are not obliged by the law to provide help of a psychologist or any other professional service.

**Inconsistent verbal and non-verbal communication** is, except oral and written language, a basic resource of communications. In the case elaborated in this work, it is almost unnecessary to say, except in part where the new owner (or owners) of the enterprises, as a rule, demonstrates his position (power, in fact) of wealth of suspicious origin (big new houses, expensive cars and similar status symbols), overdeveloping inferiority complex.

**Distrust** (i. e. trust) depends on credibility of the message sender, and it is often the result of the previous experience in communications [Stoner J.A.F, 1997]. As a rule, the atmosphere of distrust is established in privatized organizations because of a simple fact that the former directors are the buyers of these enterprises, and it is the proof that they stole earlier (as self-management, i.e. socialist directors) the social property. This thesis is confirmed by the Center for privatization that in privatization more physical than juridical persons took part (in relation 29 to 18), i. e. there have been five times more buyers from Serbia than those from abroad (in relation 39 to 8). In addition, even three-fifth of agents think the buyers do not fill the regulations of the contracts and that only more than a half of them have the sale contract.

Problems strengthening distrust of the employed and new owners of the enterprises, causing suspicion the good intention of the owner, are:

<sup>&</sup>lt;sup>3</sup> In the Mining-Smelter Basin Bor, (the organization with over 4,600 employees); the Center for Transition is set up in order to prepare workers psychologically for serious consequences of transition and to alleviate stress. However, nobody has asked for professional help and support of the Center. Doctors warn that accumulated stress, existential problems and the sense of lacking perspective culminate by that recognized today as the social suicide (Source: www.kontra-punkt.info)

- Non-delivery of bank warranty for investment obligation;
- Non-fulfillment of investment obligations from the contract;
- Non-payment of sale contract price;
- Non-maintenance of business continuity.

These problems have been aggravated by the fact that trade union organizations have not been the contract party so their legal power have been invalid on the whole and helpless in the process of privatization.

Everybody agrees today that the process of privatization has been carried out in the atmosphere of ignorance and half ignorance about privatization, its consequences, absence of consistent social programs and the amortization of unemployment and poverty as basic consequences of transition.

### 5.COULD ALL THESE BE BETTER?

A subtle analysis of the process of communications in this very important, and for all the citizens of Serbia, the question of life, pointed to the fact that all four factors influencing the efficiency of organizational structures were omitted (or avoided): formal channels of communications, authority structures in the organization, labor specialization and information property [Stoner J.A.F, 1997].

Formal channels of communications in the process of privatization of the social property in organizations were often missing (unintentionally of intentionally?) or they were used insufficiently, in volume and time. Regarding to the grasp of the target group (several million employed in Serbia at the beginning of the privatization process), formal channels of communications were realized with difficulty and they fulfilled their purpose with more difficulty. Namely, information that should have been sent consisted of a very professional and academic terminology that half-educated and uneducated people could hardly understand, without thorough knowledge and preparation for which there was not enough time.

Authority structure in the organization, which should have given the legitimacy to the system of communications, was ruined earlier, because the grater part of the organizations were brought to insolvency or liquidation before the transition process, and management in these organizations kept their job positions.

Job specialization in the processes of communications was not applied just because of the ruined authority structure so any communication, on this bases, was missing. Namely, management in the organizations and the staff, instead of establishing the social dialog, found themselves on the opposite sides – the hostile sides.

For all the previously cited, Serbia has become an exceptional conflict society, where the way to the corporative ethics will be very long. There is nothing to add to the long list of 30 known ethical perplexities [Drummond, 2001]. All of them relate to the organizations in Serbia, but more emphasized and sharper than in ripe organizations.

### 6.CONCLUSION

The general impression both in the layman and intellectual audience is that, in the process of privatization, one part of actors (political elite and management structure in organizations) have consciously and intentionally defined the game rules (time to finish and legal solutions) just to realize benefit for them in this process.

The basic principle of the whole process has been to avoid most participants (the employees) in this process. Therefore, some authors dealing with the principles of management, sustainable development, social and economic policy, classify this phenomenon into the special

category, the so-called "human pollution" [Vucevic M., 2000] in organizations, based on greed, arrogance, negligence, temptation, envy, and this will dangerously exert the long-term influence on the harmonious organizational functioning. Definitely, ethics is completely missing, and we should talk, before all, about the process of education.

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