

**SPOŁECZEŃSTWO
I GOSPODARKA
W CZASIE PANDEMII
COVID-19
DOŚWIADCZENIA UKRAINY**

SPOŁECZEŃSTWO I GOSPODARKA W CZASIE PANDEMII COVID-19

DOŚWIADCZENIA UKRAINY

Redakcja naukowa:

Jurij Kariagin

Zdzisław Sirojć

Warszawa 2021

*Monografia wieloautorska przygotowana pod redakcją
prof. prof. Jurija Kariagina i Zdzisława Sirojcia*

*Publikacja dofinansowana przez
Stowarzyszenie Współpracy Polska-Wschód
i Instytut Ukraińsko-Polskiej Współpracy*

Recenzenci:

Ella M. Libanova – sekretarz Akademii Nauk Ukrainy,
akademik, dyrektor Instytutu Demografii i Badań Społecznych
im. W. Ptuchy w Kijowie, profesor nauk ekonomicznych

Anatolij Drabowski – rektor Instytutu Spółdzielczości w Winnicy,
deputowany do Rady Najwyższej Ukrainy, przewodniczący grupy
parlamentarnej Ukraina-Polska, profesor nauk ekonomicznych

Wojciech Słomski – kierownik Katedry Filozofii Akademii
Ekonomiczno-Humanistycznej w Warszawie, profesor nauk humanistycznych,
prezes Społecznego Towarzystwa Polska-Ukraina

Wydawca:

Oficyna Wydawnicza ASPRA-JR

e-mail: oficyna@aspra.pl

www.aspra.pl

Unikatowy Identyfikator Wydawnictwa 44900

ISBN 978-83-8209-124-3

SOCIETY AND ECONOMY DURING THE COVID-19 PANDEMIC EXPERIENCES OF UKRAINE

Scientific editors:

Yuriy Karyagin

Zdzisław Sirojć

Warsaw 2021

*A multi-author monograph prepared by
Professor Yuriy Karyagin and Professor Zdzisław Sirojć*

*Publication co-financed by
the Polish-East Association for Cooperation
and the Institute of Ukrainian-Polish Cooperation*

Reviewers:

prof. Ella M. Libanova
prof. Anatoly Drabovsky
prof. Wojciech Słomski

Wydawca:
Oficyna Wydawnicza ASPRA-JR
e-mail: oficyna@aspra.pl
www.aspra.pl
Unikatowy Identyfikator Wydawnictwa 44900

ISBN 978-83-8209-124-3

Contents / Spis treści

Yuriy Karyagin

Acknowledgments / Podziękowania 11

Zdzisław Sirojć

Instead of an Introduction

or how Ukraine deals with the coronavirus crisis /

In Place of an Introduction

or How Ukraine Deals with the Coronavirus Crisis 15

Olena Akilina, Iryna MELNYK, Diana Obertyńska

Challenges of the COVID-19 Pandemic Concerning

the Work Organization of Employees of Business Structures

Wyzwania pandemii COVID-19 w sferze organizacji pracy

pracowników struktur biznesowych..... 23

Liudmyla Ilich, Marina Yarmoshenko

Impact of COVID-19 on Business Processes

and HR Management in Ukraine

Wpływ COVID-19 na procesy biznesowe

i zarządzanie zasobami ludzkimi na Ukrainie 35

O.M. Boyko

Functioning of Clusters in the EU and Ukraine As a Perspective Direction
of Breaking the Effects of the Pandemic

Funkcjonowanie klastrów w UE i na Ukrainie

jako perspektywiczny kierunek przełamywania skutków pandemii.....45

Halyna S. Lopushniak, Svetlana H. Rudakova,

Andriy O. Vasylenko

Labor Market in Ukraine: State, Trends, and Basic Scenarios

(in Ukrainian)

Rynek pracy na Ukrainie: stan, trendy i podstawowe scenariusze..... 61

Olena Akilina

Ph.D., Associate Professor
of Management Department Borys Grinchenko
Kyiv University

Iryna Melnyk

Ph.D., Vice Dean of the Faculty
of Information Technology and Management
Borys Grinchenko Kyiv University

Diana Obertynska

BA, Faculty of Information Technology and Management
Borys Grinchenko Kyiv University

Challenges of the COVID-19 Pandemic Concerning the Work Organization of Employees of Business Structures

The authors take up the issue of the work organization of employees of business structures in the aspects of dialogues related to COVID-19. The authors considered a sufficient number of recommendations concerning these issues. Their realization and introduction is a know-how of each business these days.

Introduction

Many countries have been experiencing essential changes because of the outbreak of the COVID-19 pandemic. State of emergency was introduced in countries in general or in some regions or spheres in particular. Nearly all countries introduced health and epidemiological measures, restricted arrivals/departures and the process of migration, limited labor activity, as well as implemented new remote forms of labor and training. According to Eurostat data, (EUROPEAN STATISTICAL Recovery Dashboard, 2021) in the second quarter of 2020 the decline in gross domestic product compared to the corresponding period in 2019 comprised in Germany 9.7 %, in Spain—17.9 %, in France—13.7 %, in Austria—11.6 %, in Lithuania—5.9 %.

Ukraine was not an exception. The hardest period of the most severe quarantine restrictions happened in the second quarter of 2020. Although Ukraine has been experiencing a decline in the rate of the decrease in economic activity of most branches, according to experts, Ukraine will experience a much greater fall in general than the world economy (Department of Strategic Planning and Macroeconomic Forecasting of the Ministry of Economic Development, Trade and Agriculture, 2020).

Negative trends prevailed on the labor market both in Ukraine and the world during the quarantine period. Part of businesses minimized their staff or offered them a non-paid leave. The situation in this sphere will remain complicated in future. According to experts, in Ukraine the level of unemployment will reach 8.2% in 2025 which is equal to the pre-pandemic level (Department of Strategic Planning and Macroeconomic Forecasting of the Ministry of Economic Development, Trade and Agriculture, 2020). To upgrade the capacity losses during the first stage of the COVID-19 pandemic Ukraine will require up to 2 years.

Despite the uncertainty as for the terms of the COVID-19 pandemic and its consequences for the economy, an efficient anti-crisis policy should be established at state, branch, and local levels. Such a policy is of an actual significance at the level of business organizations, whose activity results lay the foundations for state economy development in general. In turn, the results of each organization activity are directly related to the efficiency of their staff's work. That is why the issue of such efficiency security within new working conditions caused by the pandemic is of an actual importance.

Analysis of Recent Research and Publications

The Department of Strategic Planning and Macroeconomic Forecasting of the Ministry of Economic Development, Trade and Agriculture of Ukraine analyzed the consequences of the pandemic for the country's economy within 2020-2021 (Department of Strategic Planning and Macroeconomic Forecasting of the Ministry of Economic Development, Trade and Agriculture, 2020). To minimize the negative impact of the pandemic's consequences on the economy the Department advises in the socio-economic sphere to have a package of crisis-related measures aimed at social support to the population, business support, to improve the efficiency of state management, to increase funding for scientific research based on innovations, to promote active spreading and popularization of digital technologies use directed at enabling remote work and study. A majority of experts believe that the processes of digitalization, robotization, and modality presentation of "remote workplace" will speed up. It may open up "a window of opportunities" for changes in the Ukrainian economy aimed at a transition to a new quality.

The International Labor Organization developed a set of guidelines and recommendations which should be of assistance to the organizations. They provide materials for securing efficient staff work under the conditions caused by the pandemic. The most beneficial ones for this study are the following:

1. “COVID-19 and the World of Work: Impact and Policy Responses” (ILO, 2020). This paper assesses the impact of the COVID-19 situation on the labor market and proposes possible strategic alterations to mitigate this impact and be prepared for effective renewal.

2. “An Employer’s Guide to Managing Your Workplace During COVID-19” (Tang, Miaw Tiang, 2020) contains a guidance on managing business and staff protection, including the one concerning safety and healthcare at work. According to the recommendations in this handbook, to respond to COVID-19 challenges employers have to follow recommendations given by national and local authorities, particularly, regarding the organization of work, to assess the potential risks of disruptions of business processes, to review or make up the plans on securing continuous activity which corresponds to regulations by national and local authorities and directed at improving business sustainability and supporting employees and their families, to identify and mitigate the risks of the COVID-19 infection for employees and other people related to the workplace etc.

In the workplace, it means the introduction of flexible working hours (for instance, remote work), increase in physical distance between the employees, practice of scheduled meetings and distance service provision (for instance, meeting via videoconferencing or phone calling, assessment of chances to postpone or cancel the mass gatherings), changes in the working culture (for instance, refusal to handshake, dine at the workstation or beyond the working place instead of the cafeteria or lounge areas) etc. The recommendation, which, to the authors’ mind, is of high priority to ensure efficient work but is taken into account insufficiently by the majority of Ukrainian employees, especially in public administration, says that before rolling out a work-from-home arrangement, employers must decide if the work activity is suitable for remote working. If it is, then employers should discuss with their staff to make sure that the following: appropriate equipment, technology, and training that are essential for staying connected to colleagues and the organization are provided; clear expectations are set for both managers and workers on what the work and conditions should be; time sovereignty to support productivity is given to workers to empower them to work in times and places that are convenient so they can be as productive as possible; safety and health risks are assessed and reasonable preventative action in relation to working from home is taken.

3. “An Employer’s Guide on Working from Home in Response to the Outbreak of COVID-19” (ILO, 2020) describes the ways of efficient ensuring

remote work during the pandemic. Recommendations on labor productivity of remote employees are the most valuable for this study. The authors accept the idea given in these recommendations: “Well managed remote teams can be far more productive than physically managed workers as companies are required to measure productivity by objective metrics than the physical presence of ‘time in the building.’” Performance is best determined by outcomes, and whether a worker is meeting measurable benchmarks or goals. Like any goal, worker performance cannot be achieved if no one knows what it is. The key to working well with remote workers is to be very clear and specific with all expectations. The authors of this study also agree that while measuring productivity of remote employees’ labor five elements should be considered: setting and communicating clear goals and deadlines with the employees in the same way it would be done in a physical workspace, forming plans to increase accountability, analyzing important tasks and tracking progress on a time-bound basis, evaluating quality and quantity instead of time worked—shifting the metrics to “tasks accomplished and their quality” versus “hours spent,” tracking achievements.

4. “In the Face of a Pandemic: Ensuring Safety and Health at Work” (ILO, 2020). Advice on organization of employees’ remote work is of great use for our study, especially the pieces concerning shifting working hours and rest hours under the condition of remote work, as well as the choice of a good posture while sitting.

5. The latest study by Deloitte is also interesting enough as it makes the proposals on personnel policy under the pandemic conditions (Boychenko & Timchenko, 2020; Deloitte, 2020). The authors agree with Deloitte that “the current crisis opens up the unique opportunity for the businesses that will enable to overcome their traditional attitude to a human and technologies as separate parts and combine them for synergy. This crisis helps the employers to foresee what may happen until they do propose efficient models of interaction between a human and technologies and transform their companies to real social enterprises.”

The emphasis on exhaustion and emotional burnout of employees under the pandemic is also of high importance. It turns the issue of ensuring the employees’ welfare into the priority task for organizations while developing their plans on the renewal of their own activity. Considering the plan of returning to the normal work mode, organizations should assess ways of employee rewarding and improving their capacity for a further professional career and adaptation based not only on their skills and degree levels. Effective business must look ahead focusing on creating future value instead of concentrating on current optimization.

The purpose of the article. Considering the above mentioned, the purpose of the study is to search for ways of efficient projections of staff work by the organization under undefined conditions and grounded on recommendations given above.

Presentation of the material. The object of the study is StarLightMedia (further – SLM), the largest media group of Ukraine which includes 6 TV channels like STB, ICTV, Novyi Kanal, M1, M2, and OTSE TV. It is the leader among viewers. In its activity SLM uses LEAN as a model of doing business, which means constant self-improvement and based on the Kai-zen philosophy, which gives much better results than the traditional model. LEAN-management also means systematic staff development and constant improvement of business processes. Whereas the traditional approach is grounded on making profit, LEAN culture provides for inspired staff, which in turn leads to profit. The whole SLM management model is closely tied

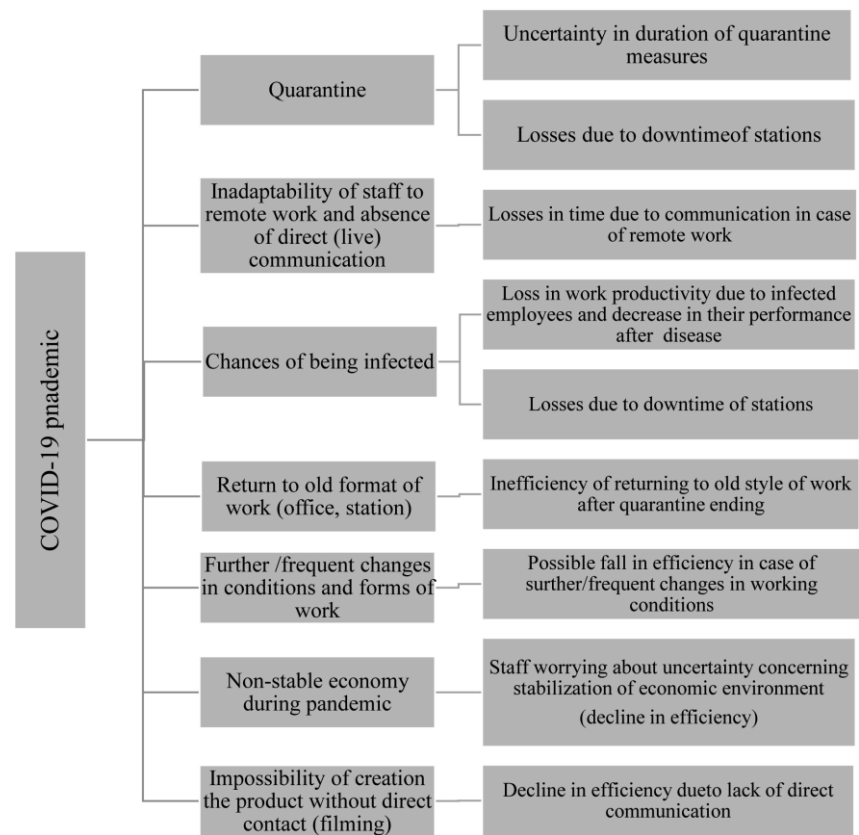


Figure 1. The Problem Tree

Source: Own study.

with internal culture of the company and its values such as responsibility, efficiency, initiative, and partnership.

Since the beginning of the COVID-19 pandemic there has been hardly any business which has not suffered more or less. Regardless of the amount of losses or challenges, quarantine forced each organization to introduce alterations and transformations to provide further operation. SLM was not an exception, so it searched for the best ways of transformations and novelties.

A great number of changes applied simultaneously to staff work in the company led to decline in effectiveness of its performance. So during the traineeship in SLM we were set the task to find the main factors which impacted its effectiveness and propose activities and measures as for its improvement. We have developed the problem tree (Figure 1).

While conducting the study the authors concluded that solving the problem of enhancing the efficiency of work and loss minimization is possible via the transformation of the working space (office, workstation, remote work). Later we were involved in the SLM Space project directed at developing changes in the work format, aimed at enhancing the efficiency of the production department work and grounded on improving the ergonomics of the working space.

After the information had been collected and analyzed, use of method 5S was proposed. That was a method of organizing the workspace (office, workstation), whose purpose is to create optimal conditions for performing the activities, keeping order, cleanliness, tidiness, economy of time and synergy.

1. Sorting things:

Marking with red sticker for 'quarantine' → sorting things → 1) to the storage → 2) for sale → 3) for recycling. Performers: team in working zone / responsible for working space.

Importance	Frequency of use	Action
Low	1 time/<6 months	Cleaning the working zone
Medium	<1 time/6 months (no more often than once a week)	Locating things near the working zone
High	<1 time/week	Locating things in the working zone

2. Contouring (marking place for things in the working zone): equipment, side-marker tools etc.

3. Principle of rational layout:

- By operation flow (things/offices);
- Things in one row, absence of empty shelves.

4. Consideration of staff relocation trajectory.
5. Realization.
6. Assessment.
7. Correction.

Requirements for office spaces have changed; office is no longer an essential part of efficient work. The following question has been set: “where can I do my work tasks in the most efficient way?” On its basis the theses were developed:

- Cutting down on stationary workspaces;
- The growth rate for meeting rooms with appropriate equipment to collaborate remotely;
- Maximum use of the remote work mode: freelancers, outsourcing.

The idea of “Lego-office” was considered. It is characterized by flexible schedule, premises conservation, using spaces as storage, subleasing of premises, creating movable work zones (module furniture, module walls in case of open space format). For instance, the central zone is equipped with a desk on wheels which assists in arranging the working space dependent on the work done (group project, brainstorming etc.)

The issue of workplace ergonomics was also considered while working on the project:

- *Smart work in the office/workstation*

Present circumstances require special attention to be given to the ergonomics of office premises related to increase in the number of smart workers. Such employees spend all their working hours in a new office environment like a combi office, open space, in front of the computer screens and with other technical communication devices. The application of new technologies during the pandemic provides alteration to doing work, as well as reduces the need to visit the office. Yet, in spite of the importance of remote work, a number of profound companies like Apple, Yahoo!, and Google strongly believe that the presence of employees in one place is of crucial importance for business success. Only direct contact may result in chance meetings which promote coming up with new ideas and new view of the product or service.

The general thing all employees have in common regardless of where and when they work is the fact that they do their jobs staying for long hours in front of their computers, laptops, or other mobile devices. In this respect and considering the employees' health conditions, paying attention to functionality of seats' ergonomic construction is of high importance. Besides, within the context of smart work design of office premises, conference-halls, lounge areas, and desks is also essential issue.

The studies reveal that there is no ideal desk height, it depends on anthropometrics of the employee, the device used, and the kind of task, so

it is necessary to develop regulated desk and chairs. In the USA ergonomics is standardized and requires special chair construction (ANSI-HFES 100 2007). There is also the international standard of ergonomics which concerns construction of ergonomic workplaces (ISO 9241-5 1998).

The space around the office, as well as arrangement of internal office space is also essential for smart workers' efficiency and successful performance. But it is convenience and workplace interior that affected employees the most.

- *Space around the office*

Office environment also impacts productivity and health, especially under the conditions of exhaustion and emotional burnout of employees during the pandemic. An office location surrounded by a green space that enables walking in open air during the break may relieve stress. According to studies by A. Ewert and Y. Chang (2018) physical parameters linked to stress level in the body confirm stress reduction while being in nature. One more fascinating observation reveals that in 14 minutes of watching a forest, stress is also reduced. It means that the view outside the window also impacts stress levels.

- *Office microclimate*

Microclimate impacts productivity. A temperature of 27°C in the office leads to less productivity by 30 % compared with a one of 21°C. Moreover, J. N. Hacker and M. Holmes (2007) revealed that productivity is even better if the temperature is 25°C compared to lower temperatures so there is an optimal range. Meanwhile, there is no single indicator of optimal temperature in the office.

- *Office layout*

Office planning may be realized in different ways, but it should always promote activity and employees' successful performance. K. Alexander K and I. Price (2015) prove that comfort and productivity are of the best quality in a combi office where employees can select the workspace relevant to their job.

In accordance with the plan and purposes of the project on workspace transformation the authors developed a questionnaire to study the challenges some working groups (teams) face in the company. The "watering can of issues" tool was applied. Based on the questionnaires developed, SLM employees were surveyed, and collected data were analyzed and structurized. Convenience of the staff seating plan was estimated at 7 points on average (by ten-point scale). That is related to issues of anonymity, noise, emotional discomfort in an open space, inconvenience of working desks, bad lighting, and poor interior. The absence of a rest zone and problems with dining were also considered among the factors of employees' location which decline their efficiency.

Conclusions. Based on the study conducted, the following vector of actions for further work on a project on work space transformation was proposed:

1. Premises equipment which adapted to the task set and is easily managed by employees. Re-equipment of working space using module furniture;
2. Office format planning relevant to the task set (a combi-office is the most appropriate for most tasks);
3. Working place planning which is adapted to the task set, as well as convenient for altering position;
4. Provision of a separate study for the team, open space reservation;
5. Informing the team about the possibilities to equip their own work station;
6. Creation of rest zones;
7. Reassignment of frozen office premises;
8. Developing standards of working zones equipment.

The authors identify the following positive consequences of working places' transformation proposed: opportunity for making extra profit; a more convenient location compared to other premises; renewed design; a sense of belonging to a common cause and progress.

But the risks were also mentioned: possible loss of preferences due to re-organization; lack of trust to future changes; reluctance to engage in changes because of fear of increased workload. To avoid these risks, special recommendations were developed (ILO. (2020). *In the Face of a Pandemic*), in particular, regular liaison with employees to make sure they feel the employers' support; create opportunities for group communication via Internet resources or apps; give employees relevant degrees of freedom while doing their jobs.

In hindsight it is hard to estimate future changes and, what is more, it is really complicated to forecast and plan prospects for organization. Some issues have no definite solutions: likelihood of a new wave of COVID-19 pandemic occurrence, how deep the economic decline will be, how quickly economic systems will recover, how the human behavior will change in the post-pandemic period. Yet, there are a number of issues which need urgent solving, such as how to minimize the impact of epidemics on business, its performance and, what is most important, organization staff. The authors considered a sufficient number of recommendations concerning these issues. Nevertheless, their realization and introduction is a know-how of each business these days.

References

- Alexander K., & Price I. (2015) *FM Innovation: workplace management*.
Doi 10.13140/RG.2.1.3936.2086
- Boychenko, O., & Timchenko, N. (2020) COVID-19: how to reduce the impact of the pandemic on employees. *Bulletin officially about taxes*. Retrieved from <http://www.visnuk.com.ua/uk/news/100017006-covid-19-yak-zmenshiti-vpliv-pandemiyi-na-spivrobitnikiv> [in Ukrainian]
- Deloitte. (2020) Boychenko, O., & Timchenko, N. *Return to work in new conditions. Focus on vocation, potential, perspective and opportunity during the COVID-19 pandemic*. Retrieved from <https://www2.deloitte.com/ua/uk/pages/human-capital/articles/hc-trends-covid-19.html> [in Ukrainian]
- Department of Strategic Planning and Macroeconomic Forecasting of the Ministry of Economic Development, Trade and Agriculture (2020). *UKRAINE: the impact of COVID-19 on the economy and society (vision of post-pandemic development in 2020-2024 through the eyes of experts and youth)*. Retrieved from file:///C:/Users/oakil/Downloads/Concensus_2020_ukr_52_Aug.pdf [in Ukrainian]
- Department of Strategic Planning and Macroeconomic Forecasting of the Ministry of Economic Development, Trade and Agriculture (2020). *Ukraine in 2020-2021: consequences of the pandemic*.). Retrieved from file:///C:/Users/oakil/Downloads/Concensus%20Forecast%2051%20April%202020%20ukr.pdf [in Ukrainian]
- EUROPEAN STATISTICAL Recovery Dashboard (2021). *Quarterly GDP growth (% change on previous period)*. Retrieved from <https://ec.europa.eu/eurostat/cache/recovery-dashboard/>
- Ewert, A., & Chang, Y. (2018). Levels of Nature and Stress Response. *Behavioral sciences (Basel, Switzerland)*, 8(5), 49. Retrieved from <https://doi.org/10.3390/bs8050049>
- Hacker J. N., Holmes M. (2007) Thermal Comfort: Climate Change and the Environmental Design of Buildings in the United Kingdom, *Built Environment*, 33(1):97-114. Doi 10.2148/benv.33.1.97
- ILO (2020). *COVID-19 and the world of work: Impact and policy responses, Monitor 1st Edition*. Retrieved from https://www.ilo.org/wcmsp5/groups/public/---dgreports/-dcomm/documents/briefingnote/wcms_738753.pdf
- ILO (2020). *An employers' guide on working from home in response to the outbreak of COVID-19*. Geneva: International Labour Office. Retrieved from https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---act_emp/documents/publication/wcms_745024.pdf
- ILO (2020). *In the face of a pandemic: Ensuring safety and health at work*.

Geneva: International Labour Office. Retrieved from https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---safework/documents/publication/wcms_742463.pdf

Tang, Miaw Tiang (2020) *An employers' guide on managing your workplace during COVID-19*. Geneva: International Labour Office. Retrieved from https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---act_emp/documents/publication/wcms_740212.pdf