

6.2 Principles of regulation of the socio-economic rejection in conditions of economic turbulence

In connection with the modern paradigm of the consumer society, among the urgent problems of socio-economic spatial development is the problem of rejecting a person as an individual, as an employee of an enterprise and an enterprise from a business position, specialization and regional affiliation.

Based on the dictionary interpretation of the category "rejection" [128, p. 182]: 1) complete or partial non-acceptance by the system of the actions of its own subsystems or external systems due to the incompatibility of their current or strategic connection; 2) elimination or sale by the organization of its operational units for the purpose of rationalization and improvement of operations.

The Western European classic definition of the category "exclusion" (from the English - rejection) [129, p. 247] as the result of an action that prevents the penetration, entry, addition, combination or participation of anything as a result of its organizational combination. Based on this, the process of rejection, regardless of its causes and consequences, occurs in any open dynamic systems. Undoubtedly, any enterprise acts as an open dynamic socio-economic system with its own organizational behaviours.

Therefore, rejection as an inevitable process of an open dynamic system with all its properties can be interpreted as a result of the chaotic behaviours of a system that experiences internal and external perturbation levers. According to the definition of H. Haken [130, p. 65] the chaotic behaviour of the system is due to constant processes of self-organization.

The development of self-organization processes makes it possible to create a management system capable of changing its organization depending on the actions of external and internal environmental factors without outside intervention [131, p. 26]. A low level of self-organization, lack of feedback, effective control over the actions of the control center lead to the emergence of specific braking mechanisms. Therefore, the processes of rejection at the enterprise cannot be considered in isolation from the

processes of organizational behaviour of the enterprise, namely, the processes of self-organization. In order to develop a set of measures aimed at levelling the negative consequences of inevitable rejection processes, achieving a flexible state of the enterprise and its correct management, first of all, a balanced, conceptual approach to understanding the rejection processes in a modern enterprise is necessary.

So, summarizing the listed approaches to understanding the essence of the rejection process, the peculiarities of the manifestation of rejection in various systems of living and non-living nature, the mechanisms of rejection, it is possible to define the process of rejection as a spontaneous and/or initiated process of system creation/system destruction with an increase/decrease in the level of structural system complexity. That is, the rejection process:

- a) is carried out by increasing (decrease) the number of elements of the system, connections between them and their diversity, which increase the resistance of each element and the system as a whole to the adverse effects of the external environment;
- b) the process that takes place on the basis of the assessment of the effects of the external environment, by the method of random sampling and deterministic selection;
- c) a process that provides for the conditions of implementation of the resource sufficiency of each of the company's subdivisions;
- d) the process that takes place in biological, technical, social, socio-economic systems, that is, systems with a high level of complexity and a large number of elements, the connections between which are unstable.

Economic rejection at the enterprise should be defined as a set of initiated processes of the transition of the enterprise management system based on its own conditions and capabilities to a less organized level of functioning, the basis of which is organizational and economic approaches to the depreciation of the moral and economic motivation of the enterprise's employees. These processes are carried out by reducing/increasing the number of control system elements, connections between them and their diversity.

The content of socio-economic rejection, the forms of its manifestation stem from the essence of a person, which manifests itself at least on three levels: natural

(biological), social (collective) and personal (individual). Based on this, we can talk about different levels of rejection: natural, social, individual.

The analysis of the phenomenon of rejection in the context of the erosion of the value guidelines of modern society contributes, firstly, to the search for a new paradigm of socio-economic development, which takes into account the growing role of the subjective factor in the economy and society, on the one hand, and the internal disorder, spiritual crisis of the subject — on the other hand. Secondly, in the post-industrial society the phenomenon of rejection finds global scales of ecological, production-technological, moral and individual order. Thirdly, a person in a post-industrial society often loses a holistic idea of the meaning of his purpose, personal existence. The destruction of traditional socio-economic structures, the usual forms of social life, the process of rejection from influence on the decisions of the authorities, the results of work, the surrounding world - all this implies the need for today's understanding of various forms of rejection (socio-economic, ecological, technical, political, global).

The problems of socio-economic rejection organically entered the development of the theme of rejection in modern studies, in particular the author's [132, p. 62–68; 133, p. 75–81] in the context of the development of a methodology for the economic substantiation of reasons for rejection in its various aspects. The modern era is strikingly different from previous eras in many respects and, above all, by the fact that a fundamentally new aspect is added to the traditional socio-economic problems of human existence – globalization and its consequences.

Today, trends towards technological, economic, financial and organizational integration on a planetary scale are very clearly visible [133, p. 75–81]. Globalization is accompanied by a tendency to socio-economic levelling of any civilizational structures. Therefore, globalization entails a new situation of human existence. However, the modern form of globalization generates and increases deep contradictions. Different grounds of rejection determine its different levels and forms of its manifestation. The very mastery of socio-economic rejection in different periods of society's development shows that rejection has certain constants, but at the same time it changes its properties. Rejection can be single, local or total. Rejection as a

category is multidimensional, it has many forms of its manifestation, which change with the change of society, finding a different form each time, but preserving its essence. Based on the research of many authors, it can be asserted that rejection processes occur in systems of a high level of complexity, which have a large number of elements, the connections between which are of an unstable nature. The main characteristic of socio-economic rejection at the enterprise is the presence of a certain moment in the enterprise's activity, when all subsequent improvements are rejected by the system, become less and less significant and, on the contrary, lead to a worsening of the situation. In other words, rejection serves as an indicator of the law of "falling efficiency" [134]. A simple transfer of the achievements of technical, medical, biological, natural and social sciences to the socio-economic environment of the enterprise only creates confusion in theoretical approaches and interpretations of rejection.

In the study, the principles consist of substantiating the behaviour of the enterprise (obtaining its levelling vector), possible changes in its organizational structure, and the enterprise's exit to a new level of development based on the action of rejection processes (Figure 1).

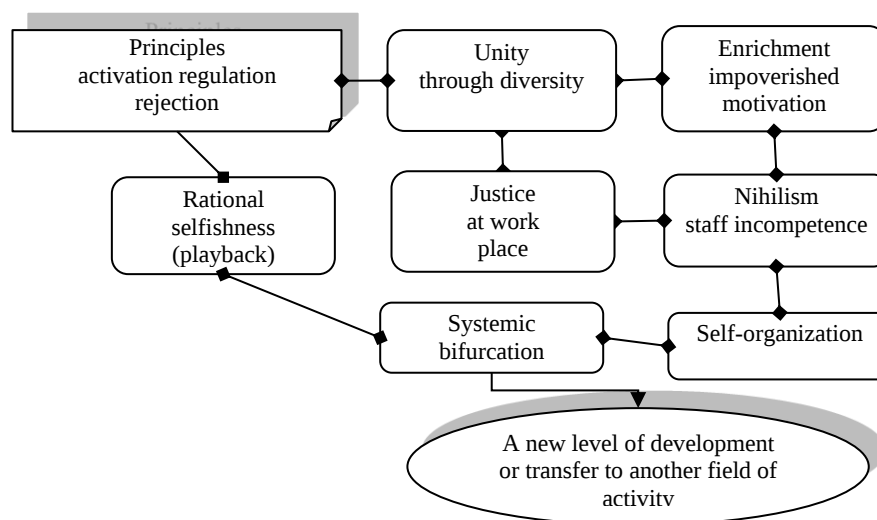


Figure 1. Principles of regulation of socio-economic rejection in conditions of economic turbulence

Source: developed by the authors

Thanks to system memory, a complex system is able to accumulate leadership capital (Figure 2). Masculinity as a process of women acquiring masculine leadership traits under the influence of social conditions [128, p. 649] and dominance as positioning with the main, dominant idea [128, p. 316] lead to the formation of the basic foundation of leadership capital at the enterprise.

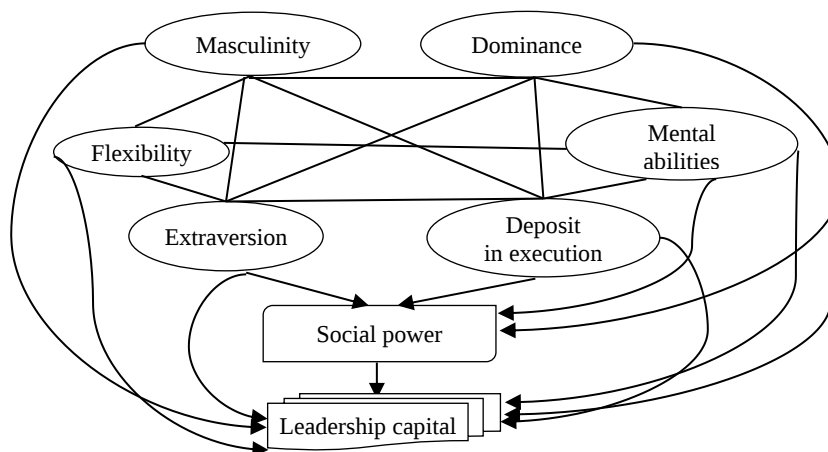


Figure 2. Activation of the leadership prototype in the recurrent connection network

Source: developed by the authors

The flexibility of a potential leader's behavior, along with his mental abilities, provide the leader with superior qualities over others in terms of recognizing and responding to certain situational phenomena.

Recurrence – the property of the system to repeat itself; the possibility of compensating the value of a certain value by previously known values of the same value [128, p. 1212].

Extraversion as the orientation of the leader's cognitive and practical activities on objects and impulses external to himself and the enterprise of the world, gives an opportunity to form in the leader the properties of a non-standard understanding of the situation, based on the available world experience [135]. Contribution to the overall task makes the leader a respectable person in the eyes of subordinates, which gives him the opportunity to successfully implement his own management initiatives.

All these personality characteristics and leadership qualities interacting through direct and reverse system connections lead to the formation of a leader from an

individual person in a recurrent connection network. This means that an open socio-economic system, which is an enterprise, makes it possible to compensate the value of a quantity according to previously found other values of the same quantity [128, p. 1212]. That is, the enterprise is able to independently "grow" its own leader in its environment, which is the result of the functioning of the team itself without external influences. Here the principles of action of self-organization processes are clearly manifested.

The unpredictability and multivariate combination of the specified components is the impulse that is capable of changing the position of the enterprise, moving it from its place in the socio-economic environment, i.e. making a bifurcation shift. Bifurcation [128, p. 110] — a sudden branching, the process of the action of internal contradictions, which leads to a change in the direction of the object's actions.

Rational egoism (in the direction of reproduction), unity through diversity, enrichment of impoverished motivation, nihilism of personnel training, self-organization, alternative labor and bifurcation can be the principles of activation of the regulation of rejection at the enterprise.

Rational egoism, as a principle of regulation of socio-economic rejection and a basic category of modern sustainable development, is definitely a key category of the process of simultaneous emergence and leveling of rejection. In general, egoism is a very twofold and contradictory form of behavior. Most researchers [136, 137, p. 88–100] emphasize its negative impact on social phenomena and economic benefits. One cannot disagree with this, even taking into account the dictionary definition of this term: the tendency to behave largely in accordance with personal interests [128, p. 336]. However, time does not stand still and at present selfishness is assigned more subtle and in a systemic sense – feedback loops. Modern science, of course, already has evidence of the existence of other types of motivation in humans besides the purely selfish one (the theory of motivational pluralism), but it is not so easy to empirically establish the "root cause" of other, non-egoistic motives. For example, altruistic behavior can also be manifested from the standpoint of hedonistic egoism – a form of

raising the individual's mood. In other words, egoism in any form of its manifestation is an integral part of the motivation of any behavior of an individual, including work.

Rational egoism of personnel at the enterprise is the ability of employees, pursuing their own interests, to contribute to the overall effective production process of the enterprise. A rationally directed egoist of the enterprise understands that he can satisfy his interests only by taking care of the people around him, providing proper conditions for public use.

The principle of regulating the rejection of "unity through diversity" involves looking at the enterprise from a deep socio-philosophical point of view, as a system that cultivates ways of behavior within a collective, each member of which is a representative of their own selfish value orientations. But it is their combination that can give a positive synergistic effect of combining various skills, efforts, abilities, directions and preferences of each individual employee. Someone prefers to deal only with the production process, someone prefers working with personnel, someone is interested in creative activities (development of new marketing strategies), and others. But performing all these various functions according to their own preferences, that is, self-organizing within the enterprise, general unity manifests itself precisely in the involvement of each employee in effective, productive work, which, in turn, becomes a catalyst for new positive changes, eliminating rejection as a phenomenon in the enterprise. If the enterprise is understood as an organic unity of the general and the individual, as a production symphony, the harmonious coordination of unique personalities, then such personalities as employees are able to bring a new synergistic identity for the positive development of the enterprise.

The nihilism of personnel incompetence as a management approach that absolutely denies the acceptance of the results of uninformed work performed by an employee without sufficient knowledge and appropriate qualifications should be used as a principle for regulating rejection at the enterprise. Rejection is initiated by a certain dissatisfaction, lack of satisfaction with the results obtained. A management approach to eliminate the incompetence of one's own personnel, by implementing various

training and professional development measures, simply eliminates the possibility of obtaining a poor result at the output and opportunistic behavior within the team.

During the manifestation of the processes of rejection of the enterprise from the market segment occupied by it due to the action of rejection factors inside the enterprise, the properties of its elements (organizational, economic, social subsystem) slowly change (Figure 3). This graph process is characterized by segment $(0; A_1 \lambda_1)$. With the passage of a certain time interval or due to an external corrective influence, these changes reach their critical value, and internal forces are disturbed. In Figure 3, point $S_1(A_1; \lambda_1)$ corresponds to the situation of bifurcation transformation of properties, elements or divisions of the enterprise. At the same time, the main indicators of the enterprise's activity begin to change rapidly, the previously stable state turns into an uncontrollable and unpredictable one, while the possibility of other development paths arises (segment S_1S_2 instead of the expected $S_1\dot{S}_1$). The same situation awaits the enterprise in the period when it reaches the coordinates $(A_2; \lambda_2)$, i.e. the occurrence of a repeated bifurcation effect $S_2(A_2; \lambda_2)$ with similar consequences. It is worth noting that there can be an infinite number of such sudden situations on the way of the company's development, and the future position and the obtained results of the company's activity depend only on the leadership, the strategic management policy chosen by him, his ability to correct rejection processes.

Therefore, even a minor disturbance, either internally or externally, can change the process of the enterprise's functioning in a new direction, its development follows a completely different line and with other unpredictable results. A new "quiet section" is reached, which at some point can be changed again by a new bifurcation process. Bifurcation points are called "dynamic control keys" [130, p. 115].

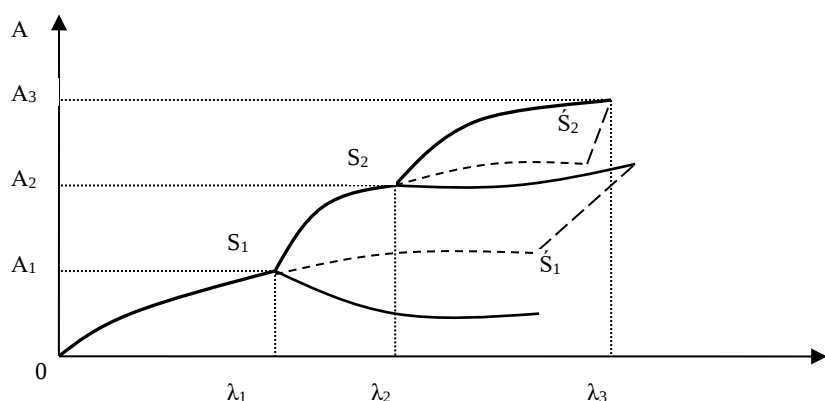


Figure 3. The graph of the sudden appearance of rejection with the subsequent bifurcation direction of development

Source: developed by the author

Another property of the enterprise's rejection process is the incomplete observability of all processes taking place in it. That is, there will always be some moments or mechanisms that will continuously act and produce certain results, but it is quite difficult to directly observe them and influence them. Taking this into account, it is necessary to very carefully choose the levers of influence on manifestations of rejection of the enterprise and not to wait for instant desired results.

Summing up, it is worth emphasizing that in order to fully understand the consequences of the regulation of socio-economic rejection of the enterprise, it is necessary to consider the enterprise from the standpoint of systemic thinking: that is, the enterprise is an independent, integral, functioning and open system that is able to respond in a certain way to all interventions in its state. In order to achieve certain positive desired changes in the socio-economic state of the enterprise, the management should apply the principle of leverage, with a clear definition of the optimal point of its application.

It should be remembered that the effectiveness of the regulation of rejection processes depends on the reaction of people to emerging changes and circumstances, based on the fact that the processes of regulation of rejection are primarily aimed at improving a person's standard of living, each person has his own attitude to the relevant process. Therefore, the main goal of regulating the socio-economic rejection of the enterprise should be to create conditions for increasing the level of socio-economic support of the enterprise's employees and activating their creative abilities.