

UDC 332.871.3:[352.07:005.35]

DOI <https://doi.org/10.26661/2414-0287-2025-1-65-03>

## CONTEMPORARY TRENDS IN MANAGEMENT: PARTICIPATION AS A TOOL FOR SOCIAL RESPONSIBILITY

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participatory management,  
population activity, management  
mechanism, association of  
co-owners of multi-apartment  
buildings, local self-government.

Participatory governance has become an integral component of modern management theory, aimed at enhancing the involvement of citizens or employees in making critical decisions. This approach focuses on democratizing management processes and increasing their efficiency. Participatory governance, in which citizens or employees actively engage in decision-making processes, on the one hand, enhances the transparency and accountability of governmental bodies or company leadership, and on the other hand, fosters the development of social responsibility among citizens.

One of the key characteristics of participatory governance is the ability for stakeholders to directly influence the processes that concern them. For example, in the housing and utilities sector, this is exemplified by the activities of homeowners' associations in multi-apartment buildings, where residents have the opportunity to independently decide on the maintenance and operation of shared property. Through this mechanism, citizens become active participants in managing their resources, which increases their responsibility. Involving people in decision-making processes allows for more efficient use of resources and encourages the development of new ideas.

Despite its advantages, participatory governance faces a number of challenges, such as the passivity of certain population segments, insufficient legal and financial literacy among citizens, or resistance from corporate leadership. Therefore, it is essential to leverage the experience of other countries that have successfully implemented this principle. Adapting best practices from these countries to Ukraine's conditions can contribute to the development of democratic processes and improve the quality of governance.

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## СУЧАСНІ ТЕНДЕНЦІЇ В УПРАВЛІННІ: ПАРТИЦИПАЦІЯ ЯК ІНСТРУМЕНТ СОЦІАЛЬНОЇ ВІДПОВІДАЛЬНОСТІ

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партиципативне управління,  
активність населення, механізм  
управління, об'єднання  
співвласників багатоквартирних  
будинків, місцеве  
самоврядування.

Партиципативне управління стало невід'ємною складовою сучасної управлінської теорії, націленої на активізацію залученості громадян або працівників до ухвалення важливих рішень. Цей підхід спрямований на демократизацію управлінських процесів та підвищення їхньої ефективності. Партиципативне управління, в якому громадяни чи працівники беруть активну участь у процесах ухвалення рішень, з одного боку, дозволяє підвищити прозорість і підзвітність органів влади або керівництва компаній, а з іншого – сприяє розвитку соціальної відповідальності серед громадян. Однією з ключових характеристик партиципативного управління є надання можливості зацікавленим сторонам безпосередньо впливати на процеси, що їх стосуються. Наприклад, у житлово-комунальному секторі це проявляється у діяльності об'єднань співвласників багатоквартирних будинків (ОСББ), де мешканці багатоповерхових будинків мають змогу самостійно ухвалювати рішення щодо утримання та експлуатації спільного майна. Завдяки такому механізму громадяни стають активними учасниками управління своїми ресурсами, що підвищує їхню відповідальність. Залучення людей до процесу прийняття рішень дозволяє ефективніше використовувати ресурси та сприяє розвитку нових ідей.

Попри переваги, партиципативне управління зустрічає низку викликів, таких як пасивність частини населення, недостатня правова та фінансова грамотність громадян або опір з боку керівництва у корпоративному секторі. Тому необхідно використовувати досвід інших країн, яким успішно вдалося впровадити даний принцип. Адаптація найкращих практик цих країн до умов України може сприяти розвитку демократичних процесів та підвищенню якості управління.

### Problem statement

One of the main challenges in implementing participatory governance is the low level of activity among citizens or employees in decision-making processes. The lack of motivation to participate in collective initiatives often leads to important management processes being either delayed or left incomplete. In the case of homeowners' associations (HOAs), the problem of making collective decisions is particularly acute. Frequent lack of quorum at meetings complicates effective management of the building, carrying out repairs, and resource allocation. Low resident engagement is often explained by insufficient involvement in management processes and a lack of information. The passivity of HOA residents creates difficulties in making important decisions, which negatively affects the condition of the building and the quality of life for its residents. There is a pressing need to increase residents' awareness of the mechanisms for managing multi-apartment buildings.

Similar challenges arise in the corporate sector. Employees may be reluctant to participate in decision-making processes due to a lack of appropriate skills or mistrust of management. On the other hand, managers are sometimes unwilling to delegate part of their authority, which leads to closed-off management processes and stifles employee initiative.

Given the above, a priority task is to ensure the active participation of all stakeholders in decision-making processes. To achieve this, it is necessary to develop incentive systems, organize training programs, and create mechanisms that encourage citizens and employees to actively engage in governance.

### Analysis of the latest research and publications

Participatory governance has become the subject of numerous studies, as its application can significantly enhance the efficiency of management processes. Participatory governance has been studied by both foreign and domestic scholars, such as D. Garson, A. Berli, M. Mintz, E. Lawler, M. Horlaty, O. Bugutsky, A. Yeskov, B. Zhalylo, O. Dokuchaev, N. Samoukina, V. Yakubenko, and many others.

### Formulation of goals

The purpose of the study is to analyze the implementation of participatory governance in Ukraine through the mechanisms of homeowners' associations (HOAs) and to examine international experience to adapt it to Ukrainian realities. Special attention should be given to studying the challenges encountered during the implementation of this approach and developing recommendations to enhance its

effectiveness. Additionally, the article outlines several specific objectives:

- evaluate the experience of establishing HOAs in Ukraine and identify the main challenges in implementing participatory governance;
- analyze international experience in participatory governance in countries with successful practices;
- develop recommendations for improving participatory mechanisms in the Ukrainian context;
- explore the role of digital technologies in enhancing citizen engagement.

Presentation of the main research material

Participatory Governance through Homeowners' Associations (HOAs) in Ukraine is an important mechanism for enhancing self-organization and citizen responsibility. Engaging co-owners in managing their buildings provides opportunities for more effective management of shared property. However, in practice, this approach faces several significant obstacles. The primary challenges include low resident engagement, insufficient legal and financial literacy, limited government support, and varying perceptions of digital technologies depending on age groups [1,6].

One of the main barriers is the low activity of residents, which significantly limits the ability to make important decisions related to the building. According to surveys, only about 30–40% of residents regularly attend HOA meetings or participate in voting, often making it difficult to achieve a quorum. This, in turn, delays decision-making on critical issues such as repair work or infrastructure upgrades and can lead to less effective management processes overall. An example of successfully addressing this issue can be found in Brazil, where educational programs and incentive measures have significantly increased citizen participation in participatory budgeting in the city of Porto Alegre. In Ukraine, a similar approach could activate co-owners, encouraging them to engage more actively in the management of HOAs [10].

Another significant challenge is the low level of legal and financial literacy among co-owners. Many residents lack adequate knowledge about the legal aspects of HOA operations or skills in financial planning. This can lead to financial errors, such as improper budget allocation or signing unfavorable contracts with contractors, which, in turn, affect the overall condition of buildings. In Germany, this issue is addressed through regular educational seminars designed to enhance citizens' knowledge in legal and financial matters. Implementing similar programs in Ukraine could help residents of multi-apartment buildings become more informed about managing shared property, thereby reducing financial risks and improving management quality [6, 8].

A separate issue is the insufficient state support, which significantly impacts the development potential of HOAs. Although HOAs are officially recognized at the legislative level, government support programs for this form of management remain limited or difficult to access. Even existing programs aimed at improving energy efficiency and modernizing buildings do not always meet the needs of co-owners or are challenging to use due to administrative barriers. In countries like Switzerland, citizens actively participate in making key political decisions through referendums, which serve as an effective way to engage citizens in governance processes. In Ukraine, establishing consultation platforms where HOAs could directly interact with government bodies to address pressing issues could help strengthen participatory governance at the local community level [7,10].

In recent years, there has been significant growth in state support for HOAs through the Enerhodim and GreenDIM programs, which have become primary funding sources for energy-efficient modernization of multi-apartment buildings. In 2023, around 500 HOAs received funding covering up to 70% of the costs for projects such as facade insulation, installation of heat pumps, and solar panels. In 2024, thanks to support from international donors, the program's budget increased to over UAH 1 billion, allowing more than 500 additional HOAs to join the modernization initiatives. The GreenDIM program, which provides up to 70% funding for energy-efficient technologies, has significantly reduced HOAs' energy resource costs, enabling residents to achieve substantial savings on utility bills [7].

Digital technologies prove to be effective tools for increasing the activity of co-owners and ensuring transparency in management processes within homeowners' associations (HOAs). The use of mobile applications for voting and electronic platforms for discussions and decision-making enables residents to participate in processes without the need for physical presence at meetings. In Poland and Germany, similar platforms are already actively used for

participatory budgeting at the local community level, significantly enhancing transparency and convenience in management processes. In Ukraine, a similar approach could be adapted for HOAs, facilitating decision-making processes and increasing resident engagement [9].

The impact of digital technologies on resident involvement varies across different age groups. According to surveys, about 65% of residents under 40 actively use mobile applications and electronic platforms to participate in decision-making and online voting. Around 80% of them positively evaluate electronic tools for managing shared property. Among the 40-60 age group, digital technologies are also becoming popular, but only about 50% of respondents actively use them, while 30% feel the need for additional instructions or training materials. Older residents aged over 60 generally use online platforms less frequently due to a lack of skills or mistrust of digital technologies: only 20% are actively involved in digital processes, while over 60% still prefer offline formats such as in-person meetings or interactions with HOA representatives. However, with additional support, such as training courses or assistance from younger residents, the engagement of the older group could significantly increase [9].

Despite these challenges, the number of homeowners' associations (HOAs) in Ukraine continues to grow. At the beginning of 2023, according to data from Ukrstat, the number of HOAs reached 38,606, an increase of 911 associations compared to the beginning of 2022. This growth reflects a heightened interest in HOAs as an effective mechanism for managing shared property. Such an increase, despite existing obstacles, demonstrates the willingness of residents of multi-apartment buildings to take responsibility for communal property, improve the quality of life in their buildings, and enhance energy efficiency through collective efforts.

The prospects for the development of participatory management in Ukraine's homeowners' associations (HOAs) are optimistic. The government plans to expand energy

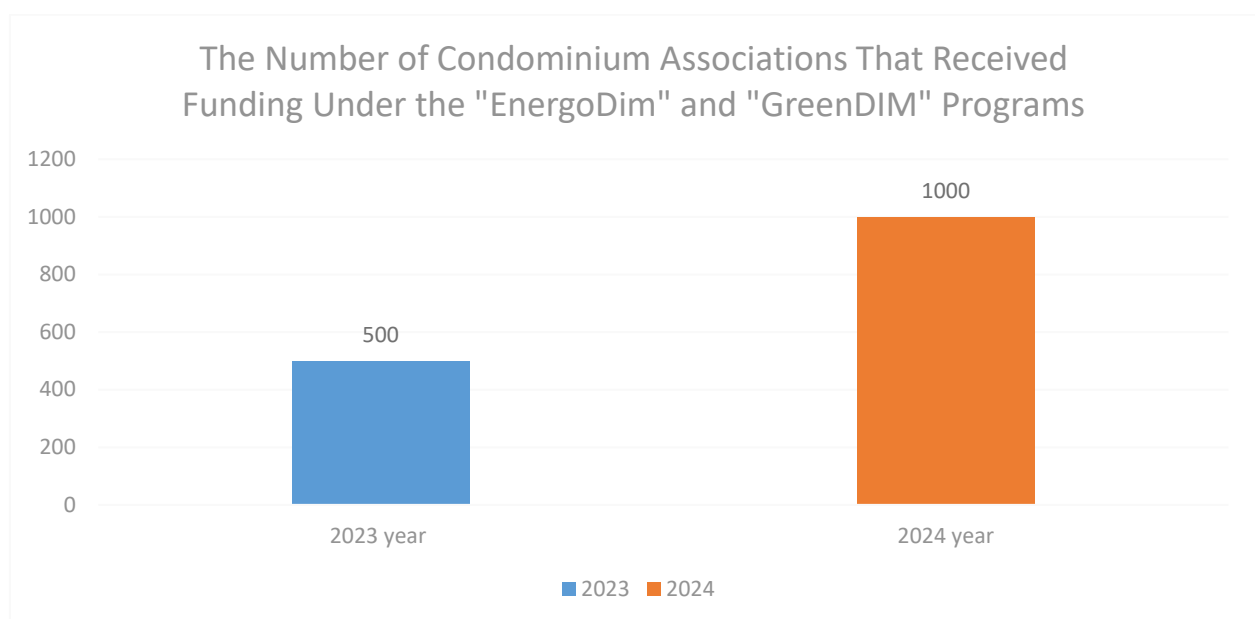


Fig. 1 – Trends in Funding Received Under the «EnergoDim» and «GreenDIM» Programs

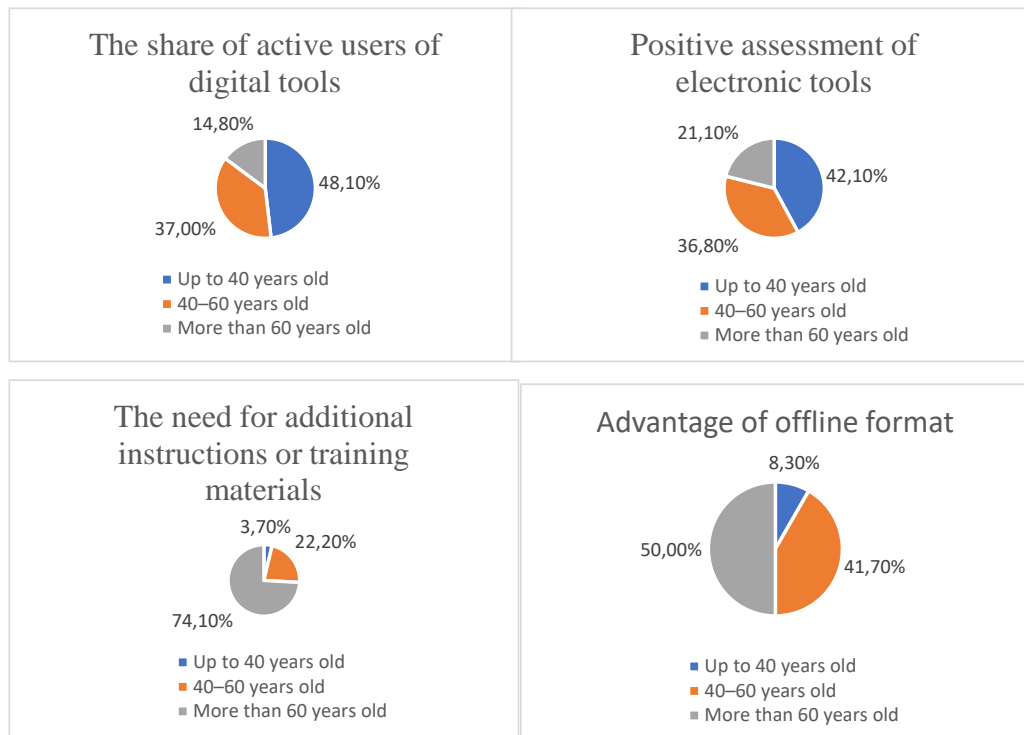


Fig. 2 – Perception of Digital Technologies by HOA Residents by Age

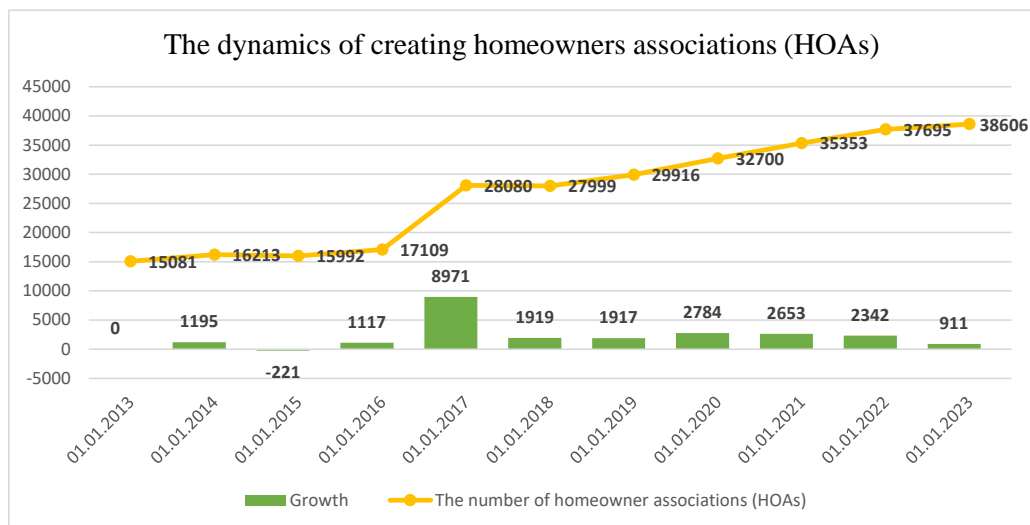


Fig. 3 – Dynamics of Creating Homeowners' Associations (HOAs) in Ukraine

efficiency support programs, enabling more HOAs to participate in modernization and energy efficiency improvement projects for residential buildings. Additionally, the development of educational programs and the implementation of digital solutions can significantly enhance the efficiency of shared property management and strengthen co-owners' responsibility for communal assets. This comprehensive approach has the potential to significantly improve the quality of life in multi-apartment buildings, foster civic engagement among residents, and promote a responsible attitude toward shared property [1].

### Conclusions from the conducted research

The analysis of foreign experience in engaging citizens in the management of multi-apartment buildings has shown that participatory management in homeowners' associations (HOAs) is a promising approach to enhancing citizens' self-organization and improving the quality of life in Ukraine's multi-apartment buildings. Participatory management in HOAs is an effective tool as it ensures transparency of information and facilitates discussions on all issues related to the building. This approach increases residents' trust in HOA leadership and reduces the number of conflicts. Joint decisions enable

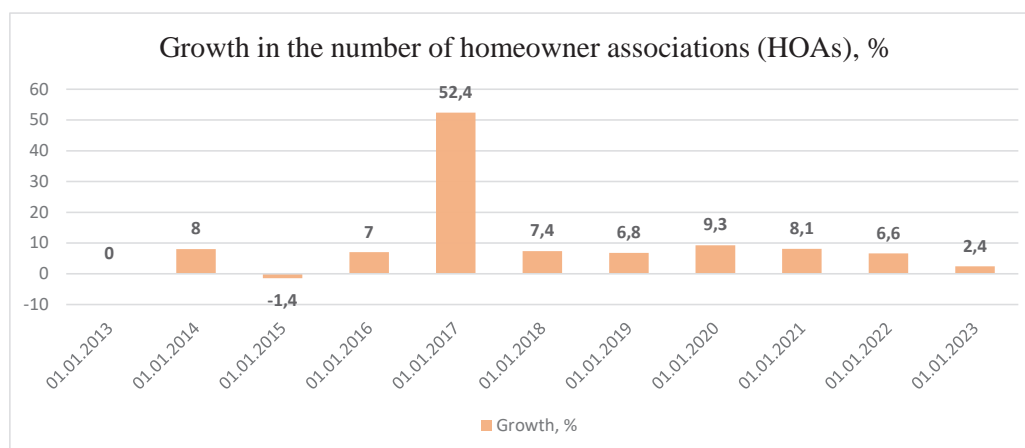


Fig. 4 – Growth in the Number of HOAs, %

more rational use of resources while considering the interests of each resident. Direct involvement in decision-making increases individual responsibility for the condition of the building and encourages residents to invest more effort in its maintenance. Participation procedures should be simple and understandable for all residents, regardless of their level of education or age. Therefore, conducting educational events for residents will help them better understand the fundamentals of HOA management, as well as their rights and responsibilities. Residents should have access to all necessary information, including the financial status of the HOA, plans for repair work, voting results, and more. Additionally, involving young people in the management of HOAs is crucial as it will help rejuvenate the active resident base and introduce new ideas for managing shared property.

The present demands the integration of digital technologies into management processes, as they demonstrate significant potential for involving residents in governance. The introduction of mobile applications for voting and electronic platforms for discussions enables residents to participate in

decision-making processes regardless of their location. At the same time, differences in how digital platforms are perceived by different age groups indicate the need to develop customized tools to engage both younger and older generations. Furthermore, educational programs focusing on legal and financial literacy can greatly enhance the efficiency of HOA operations and foster residents' interest in collective management.

Constant cooperation with local authorities and public organizations is essential for obtaining additional support and resources. A systematic analysis of government programs, such as "Energodim" and "GreenDIM," will help identify opportunities for their improvement and make them more accessible to a larger number of HOAs.

Therefore, involving residents in participatory management is a continuous process that requires systematic effort and patience. However, the outcomes of this work will be clear: an improved quality of life within the building, heightened responsibility among residents, and the establishment of a cohesive community.

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