

**NEW OPPORTUNITIES FOR RESEARCH AND COOPERATION:
ABSTRACTS PREPARED BY 1998-1999 VISITING PROFESSORS**

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PREFACE

The Research Program in Social and Organizational Learning at The George Washington University hosts visiting professors for periods of several months or an academic year. In the 1998-1999 academic year the Research Program hosted eight visiting professors. Seven were from Russia and Ukraine and were part of the Junior Faculty Development Program. This program is funded by the U.S. Department of State's Bureau of Educational and Cultural Affairs. One visiting professor from Germany was not part of a US government program. Each visiting professor is assigned a GW faculty member as a mentor.

Several of the visiting professors made presentations at the annual Faculty Research Forum of the Washington Consortium of Business Schools. The Forum was held at Howard University, April 17, 1999. This report contains the abstracts that were prepared for the Faculty Research Forum. A theme of the abstracts seemed to be "new opportunities for research and cooperation."

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How to Analyze Labor Relations

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This paper suggests an approach to labor relations research and the development of social institutions capable of producing a stabilizing effect. The paper is concerned with conflict in labor relations. The author's previous work was based on the experience of labor relations in the Irkutsk Region of Siberia. This paper describes the earlier work, emphasizing how historical, legal, and institutional factors influence the evolution of labor relations in a specific country or region. The paper points to some common features in labor relations in several countries.

In general the regional standard of living is related to the pattern of labor relations. One can expect that if the standard of living in a region is high, conflict in labor relations is likely to be low. If there is considerable strife in labor relations, the economic standard of living will probably be low. However, in Russia even though the standard of living is low and working conditions and worker satisfaction are low, there are no strikes or other labor organizing activity.

This situation in Russia is a product of the recent dramatic economic transformation. For example, under the conditions of "shock therapy" the development of labor activity beginning in 1992 remained rather low (if the strikes of employees in the public health service and in education are ignored). Nevertheless, the level of hidden conflicts inside enterprises has been high. Social tension grew during 1992, when salaries lagged significantly behind the level of inflation. Workers either were offered incomplete work-hour schedules or were compelled to take periodic leaves without pay. The principal issue in labor tension is the increase in the difference between the pay of the managerial staff and the pay of ordinary employees.

The process of inflation has become an additional source of tension. In the absence of ways to discharge negative public opinion and sentiments, the hidden "social tension" is very dangerous. The unsettled character of labor relations, great disparity in salaries in the economy, and regional and professional conflicts are the most important problems of the current period of transition of the Russian economy to a market economy.

**Risk Management in Innovation Projects:
A New Scientific Subject in the Russian Federation**

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Risk Management is a comparatively new field in business administration in Russia. Risk assessment in Russia has been used mainly in technical areas, for example when engineers design machines or when researchers study physical processes. Knowledge in this field allows us to replace complicated experiments and tests with computer calculations. Using risk theory for forecasting (for example, a forecast of the weather) usually produces good results. The skill of Russia's researchers in engineering and technical tasks is highly regarded in the scientific world.

However, when we study man-machine systems or organizational systems, our methods for evaluating technical risk have proven to be unreliable. In the recent past production processes were determined by central planning. Controlling variations in production, such as responding to consumer demand, was not part of the management task. In order to simplify engineering calculations, management ideology excluded using stochastic methods in social systems. Therefore, questions of risk management in organizing systems were not a prominent area of official scientific management in Russia in previous years.

The adaptation of Russian industrial enterprises to a market economy has remained the most difficult problem in the course of the macroeconomic reforms taking place in Russia. The low adaptability of traditional management to market conditions has resulted in production and financial crises in many Russian enterprises. To increase the flexibility of their enterprises and their adaptability to changing conditions, managers have attempted to implement production and organizational innovation by trial and error. For lack of a scientific and methodological foundation, these measures have aggravated the uncertain conditions of enterprises. Risk management methods can help Russian industrial enterprises adapt to market conditions.

A Test of Social Science Theories Made Possible by the Year 2000 Computer Crisis

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The World Bank in January, 1999, said "most of the world's developing countries are woefully unprepared for social and economic disruptions that are expected from computer malfunctions at the turn of the millennium." The U.S. Senate released a report in February, 1999, calling Y2K a "worldwide crisis" and "one of the most serious and potentially devastating events this nation has ever encountered." Because there is not now time to fix all affected hardware and software, organizations and communities are currently developing contingency plans to deal with disruptions which are expected to be more widespread and more long-lasting than occur as a result of the usual severe winter storm. Citizen involvement is essential since every community and organization from families to the United Nations needs to make preparations. Although the amount of disruptions cannot be known in advance, we can be certain that there will be disruptions and, at least in some locations, they may be serious.

Although the year 2000 computer crisis is unsettling in that it requires a change in accustomed behavior, for social scientists interested in action research, it presents a unique opportunity to test theories and methods. I suggest that social scientists be asked to predict what they think will happen and why. These papers could be presented at a conference in about September 1999. At a second conference in April 2000 we could compare the predictions with events. Furthermore, those engaged in efforts to increase awareness and to prepare organizations could be asked to describe what they did, why they chose the methods they chose, what they expected to happen, and how their expectations were confirmed or refuted. This might also be a time to reflect on the proper role of universities in encouraging the general public to prepare and to reflect on the experience. By taking an experimental approach to y2k, we could greatly increase our understanding of social science theories and methods.

The Continent-to-Continent Project

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In the Fall of 1999 three universities will work together on a collaborative writing project which will include three teachers and over 40 students. Participants are enrolled in English as a Foreign Language classes from The George Washington University in Washington, DC; the University of California in Santa Barbara, CA; and Yakutsk State University in the city of Yakutsk, Republic Sakha (Yakutia), Russia. Students in each university will communicate via e-mail and develop a tourist guide that will be published electronically. The teachers have selected nine content areas for the project: (1) Student Life, (2) Seasons/Nature, (3) Festivals, (4) Restaurants, (5) Sports Facilities, (6) Architecture, (7) Religious Buildings, (8) Clothing Styles, and (9) Monuments. In the process of developing a tri-city tourist guide, students in this project will have an opportunity to experience authentic writing practice, to gain a greater appreciation for "American Culture" and "Northern Siberian Culture", to gain a different perspective by focusing on three very different cities, and to learn to use Internet technology skillfully.