

# FORMATION OF LEGAL CULTURE OF BUSINESS MANAGEMENT EMPLOYEES

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## **ABSTRACT**

*This article highlights the activities of business administration employees and the philosophical essence of their legal culture. It sets out the aspects of improving the legal culture of personnel in business management. Furthermore, it covers the role of society and the state in the formation of a legal culture in business management as well as it highlights the works that implemented to improve the business administration staff's legal culture.*

**KEYWORDS:** *Extrapolation, rank, business, community, socio-metric, debate, profit, businessman, enterprise, land, human rights, culture, education, manners, people, government, legal awareness, law, legal state, collegial.*

## **I. Introduction**

Any management institute is the first, primary group that consists of specific staff and professionals, carrying out goals and objectives. Immanent features in this primary group, interpersonal relationships, conflicts or obstacles in the process of achieving goals and objectives, social, psychological and spiritual factors to overcome them called socio-metric analysis [1-S. 528].

This analysis in a small group is then applied to a large group, or even to a community, that means extrapolated. In the scientific literature, such groups referred to as the “first step”, “primary organization”, and “the first stage of the management system”. Therefore, the topic is about the first stage of management, the legal literacy of the primary organization, responsible for the implementation of the decision and its staff. These primary organizations are diverse. It is not possible to cover them all and extrapolate the research results. For that reason, the objects of socio-metric analysis that selected for this research is the business community, the corporate community (management) and the institutions of self-government. They are synthesized and analyzed by the model of legal culture with 10 directions.

Experimental technology: First at the beginning of the experiment, the social opinion of the team will be studied through questionnaire with special questions and answers (Appendix 3). Once the problem is identified, special educational activities (lectures, talks, consultations, exchange of views, debates, observation through direct intervention, express questions and answers) will be held to improve the legal culture (it is given in Appendix 2). At the end of the test experiment, the team's social opinion (through the same questionnaire) is re-examined and compared to previous responses. Comparative analysis should help identify problems and find solutions.

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A business team is a work team that is organized and managed with the intention of making a certain profit. In a market economy, it is natural to take the business community as an object of socio-metric analysis, especially when small business, private property and entrepreneurship are supported by our state and society. The problems of raising the legal culture in these communities and the search for their solutions are relevant to the purpose of the study. The object of observation was a production company, business team of “Ota Polvon” in Urgench Region, engaged in the production and installation of doorframes called “Aqua”. The team's passport is as follows:

In 1995-1999, it was a craft workshop run by a private entrepreneur supplying wooden doors, frames and wooden equipment. In 2001, it was registered as a micro-company producing doorframes, and in 2012 as a small enterprise for the installation of door frames called “Aqua”.

- The number of employees is 18 people.
- 9 seasonal employees.
- The total number of team members is 27.

Twenty-one of them are men and six are women. From this, four of them have higher education, nine have secondary special education, and the rest have graduated from high school and college.

At the beginning of the experiment, the results of our answer to the question “Which of the following laws is the company you work for established?” (see Appendix 2) are as follows:

- 14 people to the Constitution of the Republic of Uzbekistan
- 11 people to Presidential Decrees
- 6 people for universal values
- 3 people on employment contracts
- 3 people to the Labor Code
- 2 people on special laws on small business and entrepreneurship
- 0 for periodicals
- 0 for innovative programs
- 0 for behavioral norms.

It is clear from the answers that only two of the members of the team business know exactly based on what legal documents the firm in which it operates is organized. Employees who referred to the Constitution and Presidential Decrees responded to reports and rumors that they heard from the media. In fact, such laws regulate the general, legal, economic basis of the establishment, reorganization and liquidation of firms, enterprises as follows. They are Civil Code of the Republic of Uzbekistan, “On guarantees of freedom of entrepreneurial activity”, “On lease”, “On foreign investment”, joint-stock companies and shareholders, “On Guarantees of Rights”, “On Limited Liability and Additional Liability Company”, “On Agricultural Corporate” and “On Farming” [2-B. 19-20.] .

After the experiment, there is a drastic change in the answers we got to that question. At this time, 21 respondents say that the establishment and management of the institution is based on special laws on small business

and entrepreneurship, two of them say on the Constitution of the Republic of Uzbekistan, another two say on Presidential Decrees. One person indicated the Labor Code and another one indicated employment contracts. Because of educational activities, the number of those who believe that the organization and management of institutions based on special regulations has increased from just two to 21 people. This, in our opinion, is a significant indicator. Members of the business community have the ability adequately assimilate the necessary legal information. The answers we received before the experiment show that they are not aware of the existing normative documents and legal information. Therefore, this gap can always be filled.

Before the experiment, for the question of “Is there a special event on legal issues in your work team?” seventeen respondents answered as “No!” Seven “Not always”, three “Yes”. Most of those who answered “no” were people who changed their answers to the first question after the experiment. These people say that they are ignorant of normative documents and legal information. Those who answered “yes” and answered the first question correctly are the business team leader and accountant.

Naturally, they are individuals who provide various information and reports on the implementation of legal norms and regulations in their daily activities. The rest of the employees are engaged in practical activities, they remember only the information they heard in the course of their work. After the experiment, the number of people who answered “No” increased by 22 people (5 people). Thus, enlightenment activities form a critical approach to the surrounding events, management activities. The number of people who said “not always” dropped from seven to two, with three people returning “Yes” given before the experiment.

With the answers, we received to these questions, there is a connection between our answers to the question “Are you interested in socio-legal problems and trying to find solutions to them?” Before the experiment, 18 respondents answered as “No”, 7 people said “Not always” and 2 said “Yes”. However, after the experiment, the number of those who answered, as “Yes” increased from two to 21, the number of those who said “No” dropped from 18 to four people. Importantly, after the enlightenment activities, there is an increase in interest in legal issues among members of the business community. The answers to the question “What do you think needs to be done to further improve the management of your work team?” from the members of the business community before and after the experiment were as follows. Nineteen out of (22) people said fair distribution of income; holding a general meeting 16 (17) people; introduction of the system of electing the leader 14 (9) people; replacement of the leader 12 (18) people. Furthermore, 11 (9) people said management transparency; listening to the leader's report 10 (11) people; transparency in decision-making and planning eight (10) people; expansion of democratic governance 6 (5) people.

The answers show that the labor community is more concerned about the issue of fair distribution of income. Before the experiment, 19 members of the team (almost 70 percent) expressed dissatisfaction with the income distribution procedure, nevertheless, after the experiment, their number increased to three or 8 percent. This can lead to certain disputes in the future between the work team and its leader. (Admittedly, eight months after these observations, there were labor disputes in the business community, from which almost half of the employees laid off. This cannot be attributed to the greed of the team leader, but he had to explain to his workers that competition was increasing with a change in market conditions and trade regulations, especially in the price of imported goods.

In our opinion, the lack of skill in the manager's skillful use of legal and psychological factors has led to the departure of skilled workers from the team). The work team pays more attention on general meeting

management. The majority of respondents, 16 before the experiment and 17 after the experiment, said that the general meeting could play an important role in managing teamwork. For example, creating lucrative employment contracts for all team members, making plans, developing business development programs, restoring the health needs of team members, organizing vacations, or setting up funds to help with weddings and anniversaries. Moreover, the general meeting of the work team also performs self-management functions.

Such a community-based body helps to ensure that the principles of democratic governance established in the community and that labor disputes are resolved fairly and legally. He listens to the opinion of each team member, makes acceptable decisions, and becomes the closest companion, colleague of the leadership. According to R. Dal, establishing such management in the context of private property, coordinating the management functions of the public administration and the private property owner, is one of the complex tasks [3-S. 19-22.].

Indeed, the owner of a private property decides on the use of his property as he wishes, the independent distribution of the income he receives, and the development of his farm in a way that suits him. These duties are his independent right. However, like all enterprises, labor collectives, the owner of private property or enterprise operates in the manner prescribed by the Labor Code, the decisions of which must not contradict the interests, needs and health of employees, the requirements of subsistence.

However, the differences between the interests of the private property owner and the interests of the labor community remain clear, and existing laws have not yet developed mechanisms legally limit the selfishness of the private property owner. For example, the private property owner may not implement a plan or decision made by a work team. If the labor collective insists on its claim, the private property owner can declare the enterprise bankrupt or close the firm, which is his right.

Prior to the experiment, 14 of the respondents indicated the need to introduce a system of electing a leader, but after the experiment, their number reduced to nine people. The issue of electing a leader is the most sensitive in governance, and no country has accumulated positive experience in this regard. Even EU countries cannot give a clear answer to the question of how, by what mechanisms and methods a leader is elected in the context of private property. It is true that some researchers suggest moving the political electoral system to smaller groups, arguing that the technology of electing heads of state is acceptable to lower, primary organizations as well. Capitalist production does not preclude the formation of workers' self-governing bodies (e.g., trade unions), but they do not significantly influence the decisions of the private property owner. How and with whom a private enterprise enters into contracts is at the discretion of the property owner.

Leader election is one of the most influential forms of democratic governance. The labor collective elected by its leader exercises its political rights independently, expressing who and what qualities a person operates. The secret, the art, the wisdom in management is that when a leader finds common ground with the team, with others, if that art is not at the right level, conflicts can arise in the team. "The art of leadership is the unification of the culture of dealing with the true science of management into a whole".

A leader whose life experience and knowledge is combined with a person's personal abilities can be called as a "master of the art of leadership". In other words, only a person who is able to apply the scientific foundations of management in his or her work style while possessing high human qualities can be a master of the art of leadership. Such a mature person can achieve significant results in any team work and benefit his company, country and Homeland through his activities" [4-B. 5.].

Interestingly, after the experiment, 18 respondents expressed the idea of replacing the leader. Before the experiment, their number was 12. This means that legal and educational activities can place great demands on the leader and the management. At this point, it can be concluded that legal advocacy has a rapid impact on people's minds and imaginations, which places great demands on management. "Legal advocacy includes all the features of ideological and educational work; it connects legal practice, the main aspect of mastering the theoretical rules of legal sciences, with the dissemination of legal knowledge, information on current legislation, practical experience of its application in order to form a respectful attitude to the law. With the help of legal advocacy, a person collects and assimilates the content of legal information according to its evaluation criteria, after which the person has the opportunity to assess the society, its processes, legal reality, to organize their actions according to internal needs and respect for the law" [5-B. 93.].

The idea of making management transparent expressed by nine people before the experiment, while they reached 11 people after the experiment. This change can also be seen as an effect of educational and legal measures. Legal culture is not only the level of awareness of this or that norm or normative-legal documents; but also it encourages a person to take an active attitude to the socio-legal entity. A legal literate person is more demanding of management methods, striving to improve it as much as possible. We do not want to deny the knowledge of normative legal documents, without such knowledge there can be no question of legal culture. For example, it is important to know all the laws and programs adopted by the Parliament, and this is a commendable quality.

However, applying them to real life, social relations and management is quality that is even more important. In addition, knowing the laws orally or theoretically does not guarantee to apply them to real life and existing problems. This difference will always remain. This is in fact because the socio-legal being is broad, complex, and the mind has limited and narrow features. The human mind has the ability to comprehend and transmit any information, but in their thinking, the individual consciousness of some other people are limited.

Therefore, legal culture is not about memorizing how many and what laws exist, but knowing the norms that social life requires and helps to live as an active person is the main criterion of legal culture. The necessary legal culture for the business community is reflected in the targeted organization of the institution, enterprise, firm, and knowledge of the necessary regulations to maximize profits, the satisfaction of the material interests of employees in management (fair distribution of income). Employees (respondents) evaluate management performance in accordance with the goals of the business community, express interest in the income received. They are not interested in normative-legal documents, special laws of the firm, but through special educational-legal activities they can be interested in the problems of improving the socio-legal and administrative work and increase their legal literacy.

In conclusion, increase legal knowledge, legal awareness legal experience, legal education and culture, are closely related and its core is law. Knowledge and mastery of legal norms and related normative documents are the realities of legal culture.

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