



## The Increasing Importance of Democratic Organizations in the 21<sup>st</sup> Century: An Explorative Essay

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### Abstract

It can be said that the need for people to live collectively and to meet their various needs together is influential in the emergence of organizations. At the same time, it can be argued that the developments in social, economic, political, and cultural fields played a role in changing the organization's concept over time. While the organization process and organizational structure can show the relations and communication channels between employees in an organization, democratic participation is also vital for the success of the decisions. The organizing process also determines the activities that should be carried out in line with the organization's goals. Democracy can be associated with freely exercising one's rights and expressing his ideas. In this respect, Democracy, which can also be considered a lifestyle, can be reconceptualized in organizations with new approaches. It can be said that the success of organizations today is related to the participation of superiors and subordinates in activities such as planning, decision-making, and implementation in all matters and to express their opinions, in other words, to adopt a democratic lifestyle. Today, companies in many countries of the world make their employees a shareholder in their companies for purposes such as motivating their employees, ensuring their commitment to the company and working towards the goals of the company such as performance and profitability, creating a competitive strategy and taking advantage of various tax advantages. This practice is called "employees' stock ownership plan (ESOP)." However, this essay aims to further explore the role and importance of democratic organizations on job motivation and job satisfaction so that current literature can be enriched and managerial perception regarding those organisations can be developed.

**Keywords:** Democracy, Democratic Organizations, Job Motivation, Job Satisfaction, ESOP

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### Introduction

The origin of the concept of Democracy, which has undergone severe changes over time, is based on Ancient Greece. The answers to what should be understood from Democracy have manifested themselves in different ways in different periods, and the answer to this question has changed and transformed over time. (Eriş and Akıncı, 2019). The ancient Greek

philosopher Plato, Democracy; the least good is the political order; it can quickly turn into ochlocracy (dominance of the masses), which is an aberration of Democracy, thus leading to tyranny (tyranny), the worst political order. He described Democracy as "a delightful political order, anarchic and motley, ascribing a kind of equality to equals and un equals alike, without distinction." Aristotle, on the other hand, Democracy; is a deviation from what it considers the best political order: Democracy protects the interests of the poor, that is, only a fraction of the citizens; Like other deviant forms of public order, he defined it as not protecting the common good (Platon, 1992).

It is known that towards the end of the 20th century, a wide variety of changes took place in the world in social, economic, political, and cultural fields. This change, which played a role in the emergence of the new world order, affected individuals, companies, and states quickly. From this period, it is seen that new ones have replaced old values and tendencies. Considerable changes in technology, transportation, and trade have brought countries closer to each other in many fields from politics to economy, and the advances in communication and information network brought about by technological changes and developments have transformed the world into a 'global village' as in Mc Luhan's definition (Aydm, 2002: 21). In this process, it can be said that developments in telecommunication and transportation technology serve as a locomotive. In globalization, many countries have come closer to each other in many fields, from economy to culture and politics (Islam, 2015). In the process, knowledge, workforce, capital and technology have become borderless. Also; Universal values such as democratization, liberalization and human rights, the rule of law, protection of the environment, fight against organized crime and terrorism also come to the fore in the globalization process (Aktan, 1999; Islam, 2015). On the other hand, Capitalism, an essential tool in realizing globalization, also constitutes the Western economic system.

If we summarize Capitalism; It is an extensive private property system that is open to new ideas, new firms, and new owners – in short, the new capital. For both adherents and critics alike, the logic of Capitalism has long been recognized as its dynamism, that is, its selectivity in innovations and innovations that it tries more subtly. At the same time, Capitalism is known for its tendency to create instability, often associated with financial crises, job insecurity, and the inability to include the disadvantaged (Baechler, 1994). According to some sources, the historical development process of Capitalism is discussed in 4 different periods. The first period is called the "transition period from feudalism to capitalism," the second period is called the "liberal capitalism period," the third period is called the "interventionist capitalism period." The fourth period is called the "global capitalism period" (Braudel, 1984).

Along with the globalization trend observed in the capital markets in recent years, the competitive environment in the changing conditions of the economy necessitated businesses to make themselves stronger and different from other businesses to survive. Businesses; have rediscovered that one of the factors that will make them stronger, more different from their competitors, protect and increase their value is the critical importance of qualified human resources and power. In this context, it is necessary to increase the motivation and organizational commitment of the employees serving in the enterprise.

Today, companies in many countries of the world, especially in the U.S.A. and E.U. countries, make their employees a shareholder in their companies for purposes such as ensuring the motivation of their employees, their loyalty to the company and working towards the company's goals such as performance and profitability, creating a competitive strategy and benefiting from various tax advantages. Many empirical studies have revealed the positive effects of these plans on the economic performance of the companies and the

fact that they create a common goal, identity, and motivation in the companies. Moreover, with the effect of the globalization trend observed in the capital markets in general, many multinational companies competing at the international level aim to benefit their employees in their own countries and other countries where they operate from their capital-based plans.

The incentives provided in the said countries for tax and other liabilities related to such plans led to an increase in the interest in the plans and their implementation at the international level (Erol, 2017). The positive effects of this phenomenon on all parties have been revealed. However, the practice of acquiring stocks for employees in Turkey and the Turkish Republic of Northern Cyprus, the absence of special regulation and incentives regarding the issue, and the indifference of the parties constitute the main factors in the failure of this issue to develop in Turkey and the Turkish Republic of Northern Cyprus. Because there are almost no studies on Turkey and the Turkish Republic of Northern Cyprus, and the subject is not known enough, it aims to contribute to the literature and raise awareness on the subject with the research study.

### **Literature Review**

The full emergence of Capitalism took place with the collapse of feudalism in the west in the 16th century. In European countries, it is known that the idea and implementation of Mercantilism (Commercial Capitalism) from Capitalism or Industrial Capitalism and the 16th century, that is, robust state interventionism dominates.

According to the mercantilist view, economic wealth is represented by the commercial values held by the state, the amount of gold, silver, and precious metals. Therefore, the increase in economic wealth occurs due to its commercial relations with another state. However, this relationship is often based on colonialism. Therefore, in the era of Mercantilism to provide commercial interests, European countries started to establish colonies in undeveloped countries on other continents (Kumbaracıbaşı, 1976). Ignoring the agricultural sector and putting it in second place during the mercantilism period constituted an important stage in realizing industrialization. Since the classical economic thought system is the most important in the formation of Liberal Capitalism; The development and progress of the Industrial Revolution and Classical economic thought coincide with the same periods, depending on each other.

The theories put forward by the thinkers of the period Smith, Ricardo, Say, Malthus, Senior, and Mill appear as an essential touchstone in the development of the capitalist system (Öztürk, 2010). Economic, social, and political changes took place in the second half of the 18th century. In the developing new capitalist system, new political thoughts and formations, the emergence of a new class definition of the working class, social relations, and new production techniques and forms have emerged and started to develop. In this system, the environment for forming an economic thought freed from inconsistency was prepared by explaining it in a system in England, the most advanced capitalist country of the second half of the eighteenth century. With the thoughts of Smith and Ricardo, order and consistency have come to research and studies in the economic field. These two great economists have created this new order of thought called the liberal or classical school. Democracy, which accepts the separation of power instead of political regimes that disregard individual rights and freedoms, where absolutism in the political field and cultural differences are not significant, and which provides equal rights in theory; Famous thinkers in England and France are Descartes, Montesquieu, Voltaire, Rousseau, Bacon, Locke, Etc. Ideas developed by the Liberal capitalist system have been the product of these environments, which have given people broad freedoms in the political field and thought (Lippit, 2005).

Excessive "surplus" is involved in the fundamental crisis problem of the functioning of the Liberal capitalist system, which brings with it some social and economic crises. Growing class divisions and conflicts, low wages, poor working conditions, widespread and structural unemployment emerged as the problems created by these crises. With the economic depression felt very much in the 1930s, the solution to this problem was; It has emerged that the concept of the welfare state is dominant in Keynesian policies (an economic theory that gives a vital role to the private sector as well as the state). Key elements of this theory are the inability of prices, especially wages, to adapt to open markets and the effect of changes in aggregate demand on actual output and employment. Keynesian economics claims that aggregate demand is the driving force in the economy; In particular, he stated that increasing government spending during a recession could increase economic activity, thereby stimulating private consumption and investment. The state is trying to overcome the crisis by using some excess surplus, which is the central crisis problem in education, housing, and health (Dillard, 1957). These problems; paved the way for the liberal capitalist system to turn into an interventionist capitalist system.

Intrusive Capitalism is seen to have different application areas in the U.S.A., England, and Germany. The capitalist systems experienced a crisis again in the 1970s. The results of this crisis became the reason for the dominance of liberal policies again at the end of 1980. The points are foreseen in the new system, which is expressed as "New Capitalism" or "Global Capitalism"; development advocating liberalization in all areas and state intervention where necessary (Heywood, 2014: 40).

Drucker; explained in his work named "Beyond Capitalist Society" that the economic and political order of the world was separated from Capitalism and showed change and development within a new system and that this new system could not be named yet. According to Drucker, who predicts that this new system, which cannot be named, cannot be associated with either Socialism or Neo-Communism, and that it is essential to support capital with knowledge, information, and education in this new system, it is possible to become an efficient and wealthy society by using "knowledge," which is a significant factor. He also said that such a society should be called a "post-capitalist society." Drucker; that the "post-capitalist society" will undoubtedly use the free market, the only proven mechanism of economic integration; It has been stated that many institutions created by Capitalism can continue to exist like banks, but they need to prepare this environment in different roles (Drucker, 1996).

Organizational Democracy refers to the participation of members of an organization in the management and processes of the organization (Harrison & Freeman, 2004). Organizational Democracy has long been of interest to theorists. However, there is no common consensus on the benefits and necessity of political Democracy (Sartori, 1996). Much of the recent debate on organizational Democracy has been conducted over organizational climate-related activities and moral values. Also, it discusses the secondary effects of participation in decision-making (Foley & Polanyi, 2006). First, it is stated that organizational Democracy will lead to an increase in organizational Democracy. Productivity increase is possible by increasing employees' job satisfaction with participation and providing more communication and information sharing (Fulton & Pasty, 1991). Democracy in the workplace is concerned with sharing organizational decisions, greater employee autonomy, and strategic orientation (Drucker, 1999). Democratic practices in organizations enable employees to hear their voices, develop their knowledge, reduce employees' dysfunctional behaviors, increase organizational commitment, and improve their efficiency and performance (Arshadia & Hayavia, 2012). Second, it is stated that besides the

economic benefits of organizational Democracy, ethical and philosophical benefits are also important. Expresses that organizational systems should not be considered separately from political and economic systems; on the contrary, he argues that there should be harmony between these systems. When employees participate in the decision-making process, they are more likely to accept a decision even if they disagree, which is one reason for a potential increase in cooperation. Participation also has an integrative effect, increasing individuals' sense of belonging to society. Organizational Democracy promotes human development, increases the sense of political effectiveness, and reduces alienation, recognition, and society (Kerr, 2004).

Communists, socialists, liberals, anarchists, conservatives, and even fascists seem willing to talk about the virtues of Democracy and demonstrate their democratic influence in short; today, everyone claims to be a democrat (Heywood, 2007). Parallel to the increase in political Democracy, interest in Democracy at the organizational level has increased worldwide after the 1990s. The most crucial point in increasing this interest; Particularly, there are practices such as participation in decision-making processes and reinforcing management with rules created with the participation of employees (Harrison & Freeman, 2004). "Employee involvement," "participatory management," "participation in decision making," "employee control," "self-management," and "workplace democracy" are also inextricably intertwined concepts that can often replace the related concept of "organizational democracy" (Verdorfer & Weber 2012). Hewlett Packard, Lincoln Electric (Harrison & Freeman, 2004), Whole Foods Market, WLGore, Google & Semco (Hamel & Breen, 2007), N.D.A. (Nishith Desai Associates, an India-based law firm) (Desai, 2009), MMC ( Mondragon Corporacion Cooperativa (a cooperative parent organization) (Forcadell, 2005) are success stories about the implementation of organizational Democracy (Geçkil & Tikici, 2015).

### **Changes in the World and the Concept of Democracy**

Among the main reasons for the emergence of the New Capitalism; Developments in Global Economy, Information, and Communication Technologies can be counted. It can be said that the year 1988 (dissolution of the USSR) and the fall of the Berlin Wall played a role in this change. Democratization has come as information, finance, and technology have become a free and accessible environment for everyone. Democracy, a concept of Greek origin, is a combination of the terms "demo." Of these, demo means the person or human, means power or rule. According to these two concepts, Democracy; means "people's rules" (Powley, 2004: 68). Another definition of Democracy, meaning "people's rule," is a combination of the Greek words "demos," meaning "people," and "Kratos," meaning "authority." The thinkers of that period, who contributed significantly to the development of the philosophical foundations of Democracy, were Plato and Aristotle.

Direct or indirect participation of employees in management, making decisions at lower levels, and partnership options of employees can be explained as democratization in terms of companies. All the resources, including the safety and health of the workers, were counted in the industrial revolution, the first stage of Capitalism, for-profit of the capital/business owner. The balance is trying to be created in the system where the new Capitalism is called Stakeholder Capitalism; it aims to profit with the interests of the employee, shareholders, society, customers, environment, and the nation. Therefore, it would be correct to call this system self-renewing capitalism rather than New Capitalism (Williams & Adam-Smith 2010). The institutional level meaning of Democracy, which means the right of the majority to rule, means that the institution's employees participate in

using the corporate will (Touraine, 2002: 25). Here, "institutional will" requires taking institutional decisions together with the governed, implementing them together, and controlling the results of the process together. Institutional Democracy, a concept related to corporate will, is expressed as a management approach in which the institution's employees participate to a certain extent. The opinions of the employees of the institution in the use of corporate resources are consulted. "Individual" in the singular sense and "people" living within the borders of the state; In democracies, which is a form of government, the actual owner of sovereignty Legal regulations, norms and the will of the rulers and the ruled, who participate in the management power, express institutional Democracy (Barley & Kunda, 1992: 379).

Democratic practices within the organization are one of the many factors that affect the performance of employees (Coşan & Gülova, 2014; 241; Erkal, 2012), and it is stated that this factor can increase the performance of organizational Democracy (Sadykova & Tutar, 2014). The statement put forward by some of the researchers; Organizational identification also plays a vital role in increasing the performance of the human resource, which is the most crucial resource of the organization (Tyler, 1999; Carmeli et al., 2007). In organizations, to enable positive developments in individual performance, these studies show that the organizations see their success as their success. The employees depend on them to feel one with their organizations.

### **Democracy in Companies and Importance of Democratic**

The intensification of competition within the global capitalist system has caused strategic communication to gain more importance day by day. In global Capitalism, institutions succeed in competition and survive, depending on the importance of strategic communication and their successful implementation. Strategy is a concept of military origin, so it requires discipline. Successful implementation of strategic communication; requires a disciplined, planned and conscious, and long-term process. The framework of strategic communication; includes the planning and implementation processes of an institution's activities to create positive perceptions before its stakeholders and support its competitive advantage. Strategic communication; It is expressed as a form of management in which they are different from other institutions, that institutions can express themselves, and that all necessary activities are carried out within a plan/program (Çomaklı, Ekici, Şahim, 2007). Business processes and management styles change in global Capitalism, and traditional organizational communication practice models need change. The proposed new model includes integrated communication management, human performance technology based on the concept of market-based strategic communication, restructuring of business processes, analysis based on a systematic method, and development of communication interventions (Teece, Pisano, Shuen, 1997: 527).

Corporate communication, which has become a necessity in today's conditions, is defined as a management tool that integrates all types of internal and external communication, which are used consciously, planned in order to realize the strategies that will enable businesses to reach their goals, be successful and survive (Petrini and Pozzebon, 2010: 363). In order to be able to talk about institutional Democracy, as in Democracy, which is a general policy-making tool, it is necessary to have a multi-faceted and open communication between the governing and the governed, to reflect the will of the interested corporate parties to the organizational decision process, to monitor and control the implemented decisions and the results of these processes together, morality and ethics as well as laws. Protection of personal rights within the framework of principles, everyone

having the opportunity to benefit from institutional opportunities under similar conditions, having the necessary tools available for the supervision of the governed or the appointment of the people who will take charge in the management bodies, the corporate climate being suitable for the employees to express their thoughts freely, the institutional ground where the employees can live their beliefs and values freely. In short, institutional transparency, trust, and openness should be found (Kerr, 2004: 94-96). Duverger (Duverger, 1993: 538), who expresses the exaggerated and unrealistic definition of Democracy as "people's sovereignty" with a more realistic definition as "freedom for the people and all segments of the people," also avoids the unrealistic definition of institutional Democracy as "power of the workers." must.

More modestly; A more realistic approach would be the concept of corporate Democracy, which is defined as "referring to the opinions of the employees on issues that directly or indirectly concern them" or "involving the employees in the use of corporate will." Having the same regulations and laws for everyone is one of the minimum conditions necessary to talk about Democracy in a place. In summary, this definition is also suitable for the principle of equal participation of everyone (isegoria) and equality before the law (isonomia).

Democratic companies, or employee-owned companies, are employee-controlled companies. These companies are institutions that apply the requirements of the principle of Democracy in all areas of organizational systems (Fenton, 2002). In these companies, there are regulations and practices in line with both the theory of Democracy and the theory of workers' property rights. It is possible by accepting the two membership rights, the right to vote and the right to make a profit, as the personal right of everyone working in that company. Thus, membership becomes a person's right, and democratic companies become a democratic social institution instead of a traditional property.

The best example of democratic company practices is the ESOP "Employee Stock Ownership Plan" (Olson, Slater & Hunt, 2005: 49-65) can be given. The most important difference of ESOP, which is a kind of pension fund consisting of assets created by payments made by employees or employers or both, from other pension funds is that it only invests in the company's stocks that established the fund. Thus, while there is an obligation to diversify the portfolio in other pension funds, this requirement does not exist in the ESOP.

The ESOP concept was coined in the 1950s by Louis Kelso, a lawyer an investment banker. According to Kelso, the capitalist system will be robust if a few shareholders own the capital but if all the workers share the capital. However, this idea was not yet mature in those years (A Short Story Of The Esops – NCEO). In 1973, Kelso persuaded Senator Russell Long, chairman of the U.S. Senate Taxation Committee, to have ESOPs enacted under the 1974 ERISA (Employee Retirement Income Act) act as a tax-advantaging tool. Thus, ESOP, which provides benefits to employees, has gained legal status. Later, legislators on their management have restructured the law in parallel with the development of ESOPs (Olson, Slater & Hunt, 2005,:49-65).

### **Democracy in Organizations**

While the organizing process comes to the fore in realizing organizational goals, the participation of the employees in the organizing process and their adoption of Democracy as a lifestyle gains importance for the company's success. Today, companies in many countries, especially the United States of America, strive to work in this direction since the most critical factor in achieving the performance and profitability targets of the company is the motivation of their employees and their loyalty to the company. Also; Along with these approaches,

they implement new applications. Since motivation plays an active role in the performance of both the organization and the employee, the motivation of the employees is among the most critical issues of business life. Managers who want to increase the institution's performance should consider the wishes and desires, behaviors and attitudes of the employees, their feelings and ideas, and the external and internal factors affecting them (İzmirli, 2000). Ensuring that the personnel performs at a high level in order to realize the goals of the organization is the primary purpose of using motivation in business life (Koçel 2001; Kılınç, Polat 1997). Today, many companies see the importance of active participation of employees and their implementation in companies as a lifestyle based on employee motivation and loyalty to the company. Therefore, they can make their employees a share or shareholder of their companies to create a competitive strategy and benefit from various tax advantages in this direction. Along with the visible effect of the globalization trend on the capital markets, many multinational companies aim to compete in the international environment, both in other countries where they operate and in their own countries, to benefit from their capital-based plans (Kinsey, 1998).

The prevention of the suspension of the activities of many companies that are in loss, and the plans to make the employees who have entered the privatization practices of many countries become partners of the company they work. Creating a common identity, goal, and motivation in companies; Many empirical studies have shown that it is highly related to the plans of employees to become partners with the company they work for and its positive effects on the economic performance of the companies. As possible reasons for the interest in the subject; The increase in the number of companies and individuals within the scope of employee stock acquisition plans, the economic performance of the companies owned by the employees (Buchko. 1992: 59), and the claims of the company employees about the increase in productivity, job satisfaction and accordingly profitability in the companies they are also shareholders of (Toscano.1983: 581) can be counted. Plans to acquire stock for employees selected by the company's target and culture are likely to succeed. Companies that want to be successful need to design and implement these plans with their unique methods. Plans to acquire stock for employees selected by the company's target and culture are likely to succeed. Companies that want to be successful need to design and implement these plans with their unique methods. While each company designs its methods; The main goal of the company owner and managers is to ensure that company employees work effectively for the company's performance and profitability targets.

In addition, plans to acquire employees' shares are implemented to reduce the opposition of employees and unions, increase efficiency, and large-scale privatization. In order to alleviate and facilitate the transition from the period of socialism to the period of Capitalism, the provisions that include the options for the employees to acquire stocks are included in the privatizations made, especially in Russia and Eastern European countries. The U.K., Chile, Canada, and Portugal are among the many countries that have enacted provisions and laws regarding the financial contributions of company employees in privatization efforts. Along with these laws, employees can benefit from free-market economies and share in the capitals of the companies they work for.

When the past practices of employee stock acquisition plans, which are also considered as a defense measure and mechanism that can be taken before the takeover bid made in front of everyone, are examined, it is seen that many companies whose activities are in the process of being suspended are prevented from being bought and closed by their employees (Gürol, 1991: 6,7). The economic performance of companies in which employees are shareholders of the company capital is a fundamental reason for the interest in employee stock acquisition



plans. A study by Conte and Tannenbaum (1978) revealed that companies in which employees own shares are 1.5 times more profitable than companies with traditional partnership structures. Rosen and Quarrey (1985) compared 45 companies in which employees own shares and shares within the framework of employee stock acquisition plans with 238 companies in similar sectors and found that sales in companies in which employees own shares and shares increase with the implementation of these plans. In another study; (Cohen and Quarrey, 1985) with this plan, it has been observed that similar results have been obtained in 28 small-scale companies in which the employees have shares and shares. Another study offers similar results in efficiency and performance (Rosen & Klein, 1983; Marsh & McAllister, 1981). The company's return, the increase in the book value per share, and the increase in sales are high enough to be considered very important financially and economically compared to the companies in which the employees are not shareholders of the capital with the data.

The results obtained by evaluating the given and findings as a whole; Although it shows that the mechanism in terms of company performance and competitiveness is the ownership of stock by its employees (Buchko, 1992: 2), disagreements on such data and findings still exist today (U.S. Government Accounting Office, 1987; Long, 1982). Therefore, in order to achieve the best and most efficient result in employee stock acquisition plans, these plans should be supported by special taxes, laws, and regulations. Especially in America and England, significant developments have been achieved in these two countries. Therefore, the most support is given to companies that implement stock acquisition plans (with the tax advantages put into effect) (Manson, 1994: 12).

Organizations that want to implement organizational democracy in their internal processes should remove their organizational decision models from being structures created by one or a limited number of people and instead allow those affected by the relevant decisions to be directly or indirectly involved in the decision-making processes. Thus, those who participate in the decision-making process can freely express their opinions and take an active role in deciding by voting in line with their views (Geçkil and Tikici, 2019). If employees participate in the decision process, positive developments can be recorded in some areas, such as their attitudes towards work, their understanding of success, their motivation level, and their meaning (Koçel, 2020; Çankaya, 2018). However, when employees are allowed to participate in the organization's decisions, some positive developments can be seen in the organizational sense. An increase in the productivity and creativity of the organization may be experienced, and thus it may be possible for the organization to maintain its competitive power (Çankaya, 2019).

There is a dual relationship between job satisfaction and motivation. In general, happiness occurs when individuals want to be realized and the impressions they get from the work environment match. Comparing the reward that an individual expects from the job with their bonus also reveals job satisfaction. The satisfaction that an individual receives resulting from his work and the pleasure he feels during his career is different. The satisfaction he gets from work is "external satisfaction," The satisfaction he feels while working is "internal satisfaction." While extrinsic satisfaction will provide extrinsic rewards, intrinsic dignity will provide inherent rewards. It means that the necessary conditions have been prepared for a satisfied individual to be motivated. Likewise, a motivated individual can experience inner peace and pleasure as a result of their activities. That is, "motivation can create satisfaction." As a result; Employees who get what they expect in democratic organizations are satisfied to the extent they get it. This increases the motivation and performance of the employees (Eren, E. 2019).

Among the reasons that push employers to implement ESOP are developing a sense of ownership in employees and increasing employees' loyalty to the company, which triggers their desire to improve their knowledge and skills efficiently (Erol, 2017). According to Erol, there are various examples in America in the context of labor-capital partnership. Some companies implement ESOP; Coca-Cola, Colgate, Compaq, General Motors, Microsoft, I.B.M., General Electric. The number of ESOPs is increasing day by day in the U.S.A. and Japan.

## Conclusion

Employees' democratic participation and adopting Democracy as a lifestyle in organizations and their business lives, as in politics, rather than just being included in the processes in organizations, play an essential role in work motivation, job satisfaction, and work efficiency. Adopting democratic organizational structures by companies can enable the company to achieve its goals more efficiently and effectively. Today's technological developments and especially communication technologies can increase employees' level of knowledge on various issues while enabling each individual to express their ideas in different ways in the organizing processes. The spread of democratic organizations can affect communication positively, so it can be said that while the democratic lifestyle is vital for the welfare and productivity of both companies and employees, it can also contribute positively to social, cultural, and economic life. Democracy, which is conceptualized in a much broader way as voting, opinion, and participation, can also turn into a lifestyle for the existence and continuity of organizations in business life.

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