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**Social Mechanisms of Collective Decision-Making in
HOAs:
The Case of the “Enerhodim” Program in Lutsk**

Master's Thesis

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ABSTRACT

The research is devoted to the study of social mechanisms of collective decision-making in homeowners' associations (HOAs), using the case of HOAs in the city of Lutsk participating in the state energy-efficiency programme "Energodim". This work examines the problem of why, under similar institutional and programme conditions, some HOAs succeed in mobilising co-owners and implementing energy efficiency projects, while others face difficulties in collective coordination. The study focuses on the social mechanisms of interaction among co-owners that influence HOAs' ability to implement these initiatives. It is based on a mixed-methods approach and combines desk research, 15 semi-structured interviews, an online survey of 50 residents, and ethnographic observations. The results show that the success of energy modernization depends not only on financial or technical capacities, but also on personalised trust in the head of the HOA, an active core of residents, the quality of communication, and the ability to manage conflicts.

Keywords: homeowners' associations, co-owner, collective decision-making, energy modernisation, "Energodim", trust, social capital, local self-government.

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INTRODUCTION

After the privatisation of the housing stock in Ukraine, responsibility for the maintenance of apartment buildings largely shifted to co-owners. One of the main forms of managing common property became homeowners' associations (HOAs). At the same time, the functioning of HOAs requires collective decision-making regarding building maintenance, repairs, financing of shared expenses, and the implementation of modernisation projects. These issues became especially relevant in the context of the development of state energy-efficiency policy and the implementation of the "Energodim" programme, which provides co-financing for the energy modernisation of apartment buildings. Participation in such programmes requires from co-owners not only financial resources, but also the ability to coordinate, interact, and reach collective agreements.

Problems of collective action, self-organisation, and common resource management constitute an important topic in the social sciences. The theories of collective action developed by Mancur Olson and Garrett Hardin explain the difficulties of mobilising large groups and the problem of "free-riding". Elinor Ostrom's approach emphasises the possibility of effective collective governance of common resources in the presence of rules of interaction, trust, and mechanisms of coordination. The concepts of social capital developed by Pierre Bourdieu, James Coleman, and Robert Putnam underline the importance of trust, horizontal ties, reciprocity, and local leadership in processes of self-organisation. At the same time, theories of citizen participation make it possible to analyse the limits of democratic participation and the distinction between formal and real participation of co-owners in decision-making. Research on emotional labour also draws attention to the role of emotional interaction, communication, and the maintenance of trust within collective governance processes. Studies of housing reforms in post-socialist countries, in turn, emphasise the influence of housing privatisation, weak co-ownership practices, and low levels of institutional trust on the functioning of homeowners' associations in Ukraine.

Despite the considerable number of studies in the field of housing policy, the academic literature still insufficiently explains why, under relatively similar institutional and programme conditions, some HOAs succeed in mobilising co-owners and implementing energy modernisation projects, while others do not. Existing studies primarily focus on the technical, economic, legal, and organisational aspects of housing modernisation. By contrast, the role of trust, local leadership, informal communication, emotional interaction, and practices of mobilising co-owners within residential communities remains less researched. In particular, the "Energodim" programme has only rarely been analysed as a social process of coordinating collective action and forming local communities.

Thus, the **analytical problem** of this research lies in explaining how social mechanisms of interaction between co-owners influence the ability of HOAs to engage in collective decision-making and implement energy modernisation projects.

For this reason, the research focuses on the following **question: What social mechanisms contribute to successful collective decision-making in homeowners' associations?**

The study uses **an exploratory research design**, since it aims to identify and explain the social mechanisms of interaction between co-owners that influence the process of collective decision-making. Such an approach makes it possible to examine everyday practices of communication, trust, leadership, and participation within HOAs in greater depth. The exploratory design allows for a more detailed analysis of social processes within a specific local context. At the same time, this approach has limitations regarding the possibility of generalising the findings to all homeowners' associations in Ukraine.

Structurally, the thesis consists of several sections. The first section presents a **literature review** devoted to theories of collective action, social capital, citizen participation, emotional labour, housing reforms in post-socialist countries, as well as existing Ukrainian studies on HOAs and energy-efficiency modernisation. The following sections present the **analytical framework and the methodological design** of the research. The main part of the thesis contains the **results** of the desk-based and empirical research. The desk-based part analyses housing reform in Ukraine, the development of HOAs, state energy-efficiency policy, and the legislatively established procedure of collective decision-making within condominium governance. The empirical section is devoted to the analysis of social mechanisms of collective decision-making in homeowners' associations in the city of Lutsk during participation in the "Energodim" programme. The **conclusion** summarises the findings of the research, provides an answer to the analytical question, evaluates the research assumptions, and outlines the limitations of the study and directions for further research. A separate section presents **practical recommendations** for state institutions, local governments, the Energy Efficiency Fund, and HOA representatives.

LITERATURE REVIEW

This literature review examines the main theoretical approaches to analysing collective decision-making in the management of common property. Collective action theory explains why organising joint efforts within homeowners' associations is problematic. Approaches to common resource management and social capital theory demonstrate the conditions under which communities are capable of self-organisation. Particular attention is paid to the influence of inequality, leadership, and the distribution of power on residents' participation in collective processes. The analysis of housing sector reforms in post-socialist countries helps to understand how the historical and institutional context complicates the formation of co-management mechanisms. Emotional labour is also considered an important but less visible element in maintaining collective interaction within homeowners' associations. Based on this analysis, the research gap is identified, and the analytical research question is formulated at the end of the review.

Collective action and common resource management

Collective action theory analyses the difficulties of coordination between people in situations where the achievement of a common goal depends on the contributions of many participants. In the management of common resources, individual benefit sometimes contradicts collective interest, which complicates the organisation of collective action.

One of the classical approaches to explaining the problems of collective management is the concept of the **“Tragedy of the commons”**¹, proposed by **Garrett Hardin**. Hardin describes the situation of a common pasture used by all members of a community. Each herdsman seeks to increase his own herd. He receives the full benefit from each additional animal. However, the negative consequences of overgrazing are distributed among all users. As a result, individually rational behaviour leads to the depletion of the common resource and collective losses.

Hardin's main idea is that common resources are vulnerable to overuse. The reason for this is the contradiction between personal benefit and collective interest. Therefore, in his opinion, the stable functioning of a common resource requires rules, control, and the restriction of free access.

The concept of the “tragedy of the commons” is relevant for the analysis of homeowners' associations. An apartment building also acts as a form of common resource. Common property includes the roof, lifts, utility networks, entrances, and the surrounding territory, which belong to all co-owners. At the same time, some

¹ G. Hardin, “The tragedy of the commons,” *Science* 162, no. 3859 (1968): 1243–1248.

residents may seek to minimise their own costs for its maintenance. This is reflected in the avoidance of regular payments (while debtors continue, for example, to use a clean entrance hall), unwillingness to finance repairs of certain parts of the building (for example, residents of the lower floors may not be concerned about lift repairs, while residents of the upper floors are not interested in spending on the basement or entrance area), or in the perception of common property as “ownerless” (residents care less, for example, about the cleanliness of the lift).

This problem becomes most visible in situations where the building requires significant collective investments and coordinated decisions regarding the maintenance and modernisation of common property. Some residents may avoid expenses and expect to benefit at the expense of others. Thus, Hardin’s concept helps to explain conflicts, passivity, and difficulties in mobilising co-owners in the process of collective decision-making within homeowners’ associations.

At the same time, Hardin’s approach has limitations. He considers people mainly as isolated rational actors. Because of this, the approach insufficiently explains why some communities nevertheless succeed in self-organising and maintaining effective management of common property.

A similar logic is developed by **Mancur Olson** in “**The logic of collective action**”². Olson rejects the idea that common interest automatically unites people. In his opinion, even in the presence of an obvious collective benefit, people are not inclined voluntarily to participate in collective action. The reason for this is the “free-rider problem”. Everyone seeks to benefit from the collective result while at the same time avoiding their own costs and responsibility.

Olson pays particular attention to group size. In his opinion, **small groups**³ are more effective because their participants interact directly with one another, see the significance of their own contribution, and are influenced by social control. In large groups, by contrast, coordination becomes more difficult, the sense of personal responsibility weakens, and the individual contribution appears insignificant. As a result, motivation to participate decreases and social passivity intensifies.

Olson’s theory is important for the analysis of homeowners’ associations because they often function as a large group where residents are often unfamiliar with one another. Because of this, they do not always feel the direct influence of their own participation on the collective result. This approach helps to explain typical problems of homeowners’ associations, namely: low participation in meetings, avoidance of

² M. Olson, *The logic of collective action: Public goods and the theory of groups*, rev. ed. (Harvard University Press, 1971).

³ He distinguishes groups not by the formal number of members, but by their capacity for coordination, namely: small groups are those in which participants can interact directly, recognise the significance of their own contribution, and are able to reach agreements with one another easily. Large groups are those in which such conditions are absent: people act in isolation, while organising collective action becomes technically difficult. Although Olson does not establish a clear numerical boundary, his empirical studies confirm the conclusion that the most effective groups are those consisting of approximately 5–7 people (for example, US Senate subcommittees, governmental subcommittees, and municipal subcommittees).

contributions, unwillingness to take responsibility for common property, and the widespread belief that “my vote changes nothing”.

Olson’s logic also helps to explain the difficulties of implementing collective projects within homeowners’ associations. Such processes require a high level of coordination, collective financial decisions, and long-term interaction between co-owners. In large buildings, this creates additional barriers. These include difficulties in communication, unequal perceptions of the benefits of modernisation, and weak social incentives for participation. Therefore, according to Olson, effective collective action requires clear rules, control, incentives, and active organisers capable of maintaining coordination within the group.

Like Hardin’s approach, Olson’s theory mainly focuses on the difficulties of collective action and insufficiently explains how some communities nevertheless succeed in building trust, mobilising residents, and maintaining sustainable practices of self-organisation.

The pessimistic approaches of Hardin and Olson were criticised by **Elinor Ostrom** in “**Governing the commons**”⁴. She proposed an alternative vision of common resource management. Based on numerous empirical studies, Ostrom argued that people are capable of successful self-organisation without constant state control or the privatisation of the resource. Her studies of Swiss communities, Japanese forest cooperatives, Spanish irrigation systems, and other forms of local self-government demonstrated that people can reach agreements, create rules, monitor their implementation, and maintain long-term cooperation.

The central concept of her theory is the “common-pool resource” - a resource to which access is difficult to restrict and the use of which by one participant affects others. Although an apartment building is an artificial system, the logic of its functioning largely corresponds to the characteristics of a common-pool resource. Common property includes attics, basements, stairwells, utility networks, or load-bearing walls, which are used by all co-owners, while the condition of the building depends on the willingness of residents to participate in its maintenance.

Unlike Hardin and Olson, Elinor Ostrom focuses not only on the problems of coordination and “free-riding”. She demonstrates that successful management of a common resource is possible under certain institutional conditions. These include clear rules, residents’ participation in decision-making, mutual monitoring, sanctions for violations, and conflict-resolution mechanisms. Trust, reputation, and constant communication between community members are also of key importance.

Ostrom’s approach is also important for the analysis of homeowners’ associations and the process of energy modernisation. It helps to explain why some buildings succeed in implementing projects despite the risks of conflicts and low resident participation. In the context of the “Energodim” programme, Ostrom’s

⁴ E. Ostrom, *Governing the commons: The evolution of institutions for collective action* (Cambridge University Press, 1990).

theory shows that the effectiveness of collective decisions depends not only on financial resources or state support. The ability of co-owners to build trust, maintain communication, and develop common rules of interaction is also important.

Thus, Ostrom's approach makes it possible to consider homeowners' associations not only as a space of conflicting interests. The association may also function as a community of co-owners capable of self-organisation, collective responsibility, and long-term cooperation.

Researchers also draw attention to the limitations of Elinor Ostrom's approach. Most of the examples she presented concerned communities with close social ties, a long history of joint interaction, a high level of trust, and established traditions of cooperation. By contrast, post-socialist societies are often characterised by lower levels of interpersonal trust and weaker practices of local self-government. In this regard, the question arises as to how effective the mechanisms of self-organisation described by Ostrom are in the context of Ukrainian homeowners' associations.

The analysis of the approaches of Hardin, Olson, and Ostrom demonstrates that the effectiveness of collective action depends not only on formal rules but also on the level of trust, communication, and residents' willingness to cooperate. Therefore, for the analysis of homeowners' associations, it is also important to turn to the concepts of social capital and trust.

Social capital and trust

Social capital theory explains how social ties, trust, and reciprocity become resources for coordinating collective action and achieving collective goals. In the context of common property management, social capital promotes cooperation, participation in collective decision-making, and the formation of trust between participants.

The concept of social capital was systematically formulated by **Pierre Bourdieu** in "**The forms of capital**"⁵. He explains that society functions not so much through money or the economy, but through different forms of capital - economic, cultural, and social. Social capital refers to the opportunities that a person obtains through their connections, reputation, and membership in certain groups. Thus, both a person's knowledge and their social circle are important. Social networks provide access to support, prestige, career opportunities, and authority.

Bourdieu emphasises that this type of capital must be constantly maintained. For this reason, people invest time in communication, meetings, and collective events. People with a large number of connections receive even more advantages and opportunities to influence others. Therefore, inequality in society exists not only

⁵ P. Bourdieu, "The forms of capital," in *Handbook of theory and research for the sociology of education*, ed. J. Richardson (Greenwood Press, 1986), 241–258.

because of material resources, but also because of networks of trust and recognition. The idea of representation is especially important. That is, when a group of people chooses a leader, this person begins to embody the entire group and may concentrate authority in their own hands. As a result, the organisation may begin to be associated with one individual, which is a consequence of the accumulation of social and symbolic capital.

Bourdieu's concept can be used to analyse the level of support for the head of homeowners' associations and the role of leadership in collective decision-making. The head of the association gains authority not only through a formal position, but also through accumulated social capital: residents' support, reputation, a network of contacts, and the ability to mobilise co-owners. In particular, a high level of trust allows residents to agree to financial risks, loans, and participation in long-term energy modernisation processes. In this sense, the head of a homeowners' association may become the symbolic representative of the residential community and the "face" of the building. Thus, not only an organisational function but also symbolic power is concentrated in the hands of the head, which may lead residents to begin identifying the success of the entire homeowners' association with a specific individual.

Bourdieu's ideas also help to explain the existence of an active minority within the homeowners' association. Formally, decisions are made collectively; however, the greatest influence is very often exercised by residents with a greater volume of social and cultural capital, namely: better communication skills, access to information, and experience of interaction with institutions. This demonstrates the unequal distribution of opportunities for participation even within a single building. At the same time, energy modernisation may be viewed not simply as a technical or economic process, but primarily as a means of community formation: during meetings, discussions, and collective decision-making, residents create new contacts, practices of reciprocity, and a sense of belonging to the building.

Pierre Bourdieu's approach explains well the role of mutual support, symbolic power, and the unequal distribution of resources within homeowners' associations, although to a lesser extent, it reveals the mechanisms of everyday cooperation and coordination of collective action.

Unlike Bourdieu, who considers social capital as an instrument of power and the reproduction of social inequality, **James Coleman** interprets it as a mechanism of cooperation between people. In the article "**Social capital in the creation of human capital**"⁶, the author argues that social capital arises in interactions between people and helps them to act more effectively.

Coleman identifies trust and mutual obligations as one of the main forms of social capital. If one person helps another, an expectation arises that this help will be "returned" in the future. In societies with a high level of trust, it is easier for people

⁶ J. S. Coleman, "Social capital in the creation of human capital," *American Journal of Sociology* 94 (1988): S95–S120.

to organise collective action, maintain order, and conduct business without high costs for control or formal agreements.

Information channels, social norms, and the closure of social networks are also key forms of social capital. Networks of interaction allow people to obtain information more quickly, for example, about work, education, or other opportunities, without significant expenditure of time and resources. In addition, norms and sanctions are formed within communities that support desirable behaviour and help to coordinate collective action without constant external control. Coleman gives particular importance to the “closure” of social networks when members of a community have dense and overlapping ties with one another. In such networks, it is easier to maintain trust, monitor compliance with norms, and collectively influence behaviour, for example, that of children or community members. Excessive closure of such internal interaction may strengthen residents’ cohesion. However, this may also contribute to the dominance of a narrow circle of the most active participants in the decision-making process.

James Coleman’s social capital theory makes it possible to explain how trust and communication influence the ability of homeowners’ association residents to engage in collective action. One of the central elements in this case is trust in the head of the homeowners’ association. Residents cannot fully verify technical decisions or assess all risks, and therefore largely rely on those who organise the process. Under such conditions, mutual confidence reduces uncertainty and facilitates collective decisions regarding loans, contributions, or participation in the programme. At the same time, mutual trust between residents is also significant. If people have known each other for a long time, maintain regular contact, and have experience of repeated interaction, a dense network of social ties is formed. This, in turn, facilitates agreements and reduces the “free-rider problem”.

Communication within the apartment building also plays a noticeable role. In this case, social ties perform the function of channels for transmitting information, spreading knowledge, and reducing uncertainty. Through chats, meetings, and informal conversations, information spreads, risks are discussed, and residents gradually arrive at a shared understanding of the decision.

In addition, the energy modernisation of a building may be considered not only as a technical or economic process, but also as a process of social capital formation. This is especially visible in situations where, after the implementation of a project, residents begin to communicate more, feel a greater sense of community, or gain experience in reaching agreements and acting together.

Thus, in Coleman’s approach, social capital is a resource that is formed through relationships between people and promotes cooperation and collective action.

While Coleman focuses mainly on the mechanisms of coordination between people, Robert Putnam considers social capital as a characteristic of a community. It is formed through networks of interaction, civic participation, and trust between people. Unlike Bourdieu and Coleman, Putnam focuses primarily on the importance

of social capital for the formation of a cohesive community and the development of civil society.

In his well-known work **“Bowling alone: America's declining social capital”**⁷, **Robert Putnam** studied American social realities and the role of social capital in the functioning of democracy. He defined social capital as social ties between people that are based on trust, cooperation, mutual assistance, and civic activity. According to Putnam, people's participation in communities, civic organisations, and local life contributes to more effective governance and strengthens social interaction. This increases people's ability to reach agreements, collectively solve problems, and maintain stable rules of coexistence.

Putnam explained the decline in civic activity in the United States through a complex of social and technological factors. Among them are changes in family structure and employment, population mobility, and the development of media, which increasingly shift leisure into a private format. The symbol of this tendency became his metaphor of “bowling alone”. It describes a situation in which people continue to engage in familiar activities, but do so individually, without communities and collective interaction. According to the author, the growth of individualisation and the weakening of social cohesion may lead to a decline in trust between people, civic participation, and social capital.

According to Robert Putnam, homeowners' associations may be considered as a micro-model of civil society, where the effectiveness of collective decisions depends on social capital - trust, interaction, and residents' willingness to cooperate. Where communication and mutual support are established, it is easier for people to coordinate actions and implement collective initiatives.

In Putnam's logic, participation in collective projects, in particular energy modernisation, not only requires social capital but also creates it. In the case of homeowners' associations, trust is a condition for collective action. Without it, co-owners fear fraud, are unwilling to invest money, and block decisions. At the same time, the implementation of such initiatives gradually forms mutual trust. When people see the results of cooperation, trust grows both in the head of the homeowners' association and between neighbours.

A similar mechanism operates in the sphere of communication. Building chats, meetings, or personal conversations forms the basis for coordination and mutual support. Without established communication, it is difficult to implement a collective initiative. However, cooperation itself gradually facilitates further communication between co-owners.

In this context, it is important to distinguish between bonding and bridging social capital. Bonding social capital is formed through close internal ties between co-owners and promotes mutual support, trust, and mobilisation within the building.

⁷ R. D. Putnam, “Bowling alone: America's declining social capital,” *Journal of Democracy* 6, no. 1 (1995): 65–78.

⁸ By contrast, bridging social capital arises through interaction between different groups of residents or between homeowners' associations and external institutions, and provides access to new resources, information, and broader cooperation. ⁹ Both types of social capital are important for the effective functioning of the association, since internal cohesion facilitates collective action, while external ties expand the opportunities of the community.

In this way, the local community is gradually strengthened as well. The implementation of collective initiatives requires coordination between co-owners. At the same time, it strengthens the sense of responsibility for the building and belonging to the community. People learn to reach agreements, go through conflicts, and gain experience in collective action. This experience also affects subsequent decisions within the homeowners' association. If co-owners have a positive experience in implementing a collective initiative, new projects are usually implemented more quickly and with a lower level of conflict.

Therefore, in the context of HOA, an apartment building may be considered as a local community. Participation in building management forms skills of cooperation, mutual responsibility, and trust between co-owners. In this approach, energy modernisation is viewed not only as the technical renewal of housing. It also contributes to strengthening social ties and developing local self-organisation.

However, the experience of homeowners' associations demonstrates certain limitations of Putnam's concept. His studies mainly concerned Western democracies with stable traditions of civic participation, whereas post-socialist societies are characterised by lower levels of interpersonal and institutional trust. In this context, the concept of social capital is connected with studies of housing sector reform in the countries of Central and Eastern Europe. These studies analyse the influence of housing privatisation, decentralisation of management, and the creation of HOA on the practices of co-owners' self-organisation.

Thus, social capital may be considered as a resource of social ties that influences access to resources and power (Pierre Bourdieu), promotes cooperation between people (James Coleman), and supports civic participation and trust in society (Robert Putnam). In the context of homeowners' associations, it manifests itself through the ability of co-owners to engage in collective action, the level of mutual trust, participation in decision-making, and access to influence and resources within the community.

Post-socialist housing transformation

In the context of researching the social mechanisms of collective decision-making in homeowners' associations, works on the reform of housing systems in the

⁸ For example, communication between neighbours from the same entrance.

⁹ For example, cooperation between a homeowners' association and municipal authorities.

countries of Central and Eastern Europe are important. One of the key contributions in this field is Sasha Tsenkova's work.

In the work **“Housing policy and reforms in post-socialist Europe: Lost in transition”**¹⁰, **Sasha Tsenkova** analyses the consequences of the transition from a centralised system of housing provision to a market model in the countries of Central and Eastern Europe. She argues that the state rapidly withdrew from the control and support of housing. At the same time, new market mechanisms and effective institutions had not yet been created, and therefore housing systems became “lost in transition”.

The main consequences of the transition to the market model were housing privatisation, the reduction of the role of the state, and the growth of social inequality. Most state-owned apartments were transferred into the private ownership of residents, and therefore, the level of private housing ownership increased sharply. At the same time, the state almost ceased financing the construction and maintenance of housing. This caused a reduction in the construction of new housing and deterioration in the condition of apartment buildings.

Residents received apartments into ownership, but did not have experience in independently managing buildings. Due to the lack of funds and weak institutions, repairs were postponed, and the housing stock gradually deteriorated.

Tsenkova's ideas explain well the development of homeowners' associations in Ukraine, since homeowners' associations are part of the housing transformation after socialism. Homeowners' associations as a form of co-owners' self-organisation became a new institution of housing management in post-socialist countries.

Sasha Tsenkova notes that the socialist legacy continues to influence the contemporary housing system. In the context of homeowners' associations, this is manifested in the expectation that the state should be responsible for repairs and building maintenance, in the low culture of co-ownership, and in distrust towards collective management. Residents' passivity, the poor technical condition of buildings, and ageing utility networks also remain problems. Thus, homeowners' associations function within a system where housing was rapidly privatised, but the mechanisms of responsibility and effective management were not fully formed.

Based on Tsenkova's research, the success of associations depends not only on the activity of residents but also on effective state housing policy, in particular, co-financing programmes, municipal support, and quality legislation.

Sasha Tsenkova emphasises that under socialism, housing management was carried out by state structures. As a result, horizontal practices of cooperation and a culture of collective decision-making were not formed. There is also often a lack of trust between co-owners. The consequences of this are visible today in the activities of HOA: conflicts arise between residents, low activity of co-owners is observed, and

¹⁰ S. Tsenkova, *Housing policy reforms in post-socialist Europe: Lost in transition* (Springer, 2009).

decision-making often depends on several of the most active participants. Due to the low involvement of residents, difficulties also arise in achieving a quorum.

These ideas explain the difficulties of self-organisation and the low participation of co-owners in homeowners' associations. At the same time, some researchers emphasise that the problems of residents' participation are connected not only with the socialist legacy, but also with contemporary economic difficulties, distrust towards institutions, and the low level of social capital. This demonstrates that Tsenkova's approach explains well the structural conditions of the functioning of homeowners' associations, but does not fully reveal the mechanisms of co-owners' participation in decision-making.

This tendency can also be observed in Ukrainian studies on HOA and energy-efficiency programmes. They mainly focus on the legal, organisational, and economic dimensions of housing management and modernisation. Kvasnytsia analyses the regulatory framework and institutional barriers to the establishment of homeowners' associations.¹¹ Strutynska examines the practical experience of creating HOAs and emphasises the importance of promoting these forms of self-governance.¹² Moskaliuk and Filippov consider homeowners' associations as objects of corporate social responsibility implementation.¹³ Deshko, Shovkaliuk, and Maksymenko focus on technical, organisational, and economic barriers to energy-efficiency modernisation projects in Ukraine.¹⁴ However, much less attention has been paid to the social mechanisms of participation, trust-building, informal communication, and co-owner mobilisation within residential communities.

Although Tsenkova analyses in detail the consequences of housing transformation and the problems of residents' self-organisation, her approach focuses to a lesser extent on the levels and forms of people's participation in the decision-making process. These aspects are examined in more detail by Sherry Arnstein in her theory of citizen participation.

Citizen participation and collective governance

In the work **"A ladder of citizen participation"**¹⁵, Sherry Arnstein considers citizen participation not as formal presence in the activities of governing

¹¹ M. V. Kvasnytsia, "Osoblyvosti ta problemy formuvannia obiednan' spivvlasnykiv bahatokvartyrnykh budynkiv," *Sotsial'no-ekonomichni problemy suchasnoho periodu Ukrainy* 4 (2016): 26–31.

¹² I. Strutynska, "Praktychnyi dosvid realizatsii proektu stvorennia OSBB," in *Proceedings of the International Scientific and Practical Conference "OSBB: Experience, Challenges, Prospects"* (Ternopil: Ternopil Ivan Puluj National Technical University, 2017), 37–38.

¹³ H. O. Moskaliuk and S. A. Filippov, "OSBB yak ob'ekt vprovadzhennia KSV," in *Proceedings of the VI International Scientific and Practical Conference "Current Problems of Management: Theoretical and Practical Aspects"* (Odesa: Odesa National Economic University, 2023), 255–257.

¹⁴ V. Deshko, M. Shovkaliuk, and O. Maksymenko, "Analiz bar'ieriv dlia vprovadzhennia enerhoefektyvnykh proektiv v Ukraini v umovakh viiskovoi kryzy ta pochatkovoho etapu vidnovlennia," *Enerhetyka: ekonomika, tekhnolohii, ekolohiia*, no. 3 (2025): 101–109.

¹⁵ S. R. Arnstein, "A ladder of citizen participation," *Journal of the American Institute of Planners* 35, no. 4 (1969): 216–224.

bodies, but as the level of their real influence on power and the distribution of resources. The author argues that genuine democracy is possible only when citizens receive the power to influence decisions, rather than merely a symbolic opportunity to express their opinion. In her view, informing or consultation alone does not constitute full participation if final control remains in the hands of authorities. Arnstein emphasises that society is divided into those who have power and those who do not, while the main obstacles to effective participation remain paternalism, unwillingness to share power, and weak self-organisation of communities.

To explain these processes, the author proposes the model of the “ladder of participation”, which consists of eight levels: from manipulation and symbolic participation to partnership, delegated power, and full community control. Arnstein interprets the lower levels of the “ladder” as forms of pseudo-participation, in which citizens are formally involved in discussion but do not have the possibility to influence the final decision. By contrast, partnership and delegated power involve the transfer of part of the control to the community and create conditions for the collective management of resources.

According to Arnstein’s concept, HOAs may be considered as a small model of local democracy. They contain their own governance structures, common resources, and mechanisms of collective governance. Homeowners’ associations are an illustrative example of applying Arnstein’s theory. The effectiveness of building management directly depends on the willingness of co-owners to participate in joint financing, support collective agreements, and delegate authority to the board. Unlike many other local institutions, in the activities of associations, the consequences of passivity or conflicts directly affect the everyday lives of residents and the condition of common property.

In the context of researching associations, Arnstein’s work is important primarily for explaining the reasons why some forms of interaction between co-owners promote cooperation, while others provoke conflicts, distrust, and residents’ passivity. Her approach is used to analyse participation not only as the formal presence of people in the activities of homeowners’ associations, but also as the degree of their control over decision-making.

In situations where only the informing of residents predominates in homeowners’ associations, while decisions are made by a narrow circle of individuals without open discussion, co-owners often do not trust the governance process itself. In such cases, residents may have a negative attitude towards financial obligations and fear loans or additional contributions. This also reduces the willingness to participate in voting and support building modernisation projects. Insufficient transparency and the absence of effective participation contribute to the emergence of conflicts between the board of the homeowners’ association and co-owners.

By contrast, higher levels of participation involve consultation, partnership, and open access to information. This forms a different model of interaction between the board and co-owners. Under such conditions, trust in the board and in the mechanism of decision-making itself increases. Co-owners better understand the necessity of modernisation and more often support financial participation in projects. Transparency of procedures and the possibility to influence decisions increase their legitimacy and contribute to the successful implementation of energy-efficiency programmes.

At the same time, Arnstein's theory also has certain limitations in its application to homeowners' associations. A high level of co-owner involvement does not always guarantee effective governance. Collective discussion may slow down decision-making and intensify conflicts between residents with different interests and financial capacities. In addition, not all co-owners have the same level of competence or motivation to participate in the activities of homeowners' associations, which creates the risk of unequal distribution of influence even within formally democratic procedures.

However, collective decision-making depends not only on formal mechanisms of participation. Trust, the ability to overcome conflicts, and residents' motivation to cooperate also play an important role. In this context, the concept of emotional labour by Arlie Russell Hochschild is relevant, as it allows to consider the emotional aspect of interaction within homeowners' associations.

Emotional labour and collective interaction

In the work **“The managed heart: Commercialization of human feeling”**¹⁶, **Arlie Russell Hochschild** develops the concept of emotional labour. By this concept, she understands the management of one's own emotions and their external expression in accordance with social or professional expectations. The author distinguishes surface acting - the demonstration of emotions without their experience - and deep acting, when a person attempts to change their own internal state to “sincerely” feel the appropriate emotions. An important element of her approach is also the concept of feeling rules - social norms that determine what exactly people should feel in certain situations and how these feelings should be expressed. According to Hochschild, modern institutions regulate not only people's behaviour, but also the ways of experiencing, sympathy, loyalty, or enthusiasm.

The concept of emotional labour is useful for analysing the activities of homeowners' associations in the process of making collective decisions regarding building modernisation. The management of an apartment building is connected with constant interaction between residents, conflicts, and the necessity of

¹⁶ A. R. Hochschild, *The managed heart: Commercialization of human feeling*, 20th anniversary ed. (University of California Press, 2003).

maintaining cooperation. A person who heads a homeowners' association is forced to work with distrust towards institutions, fears regarding financial expenses, the apathy of co-owners, and tension between neighbours. They are expected to demonstrate restraint, patience, and readiness to maintain communication even in situations of emotional exhaustion.

The mechanisms of surface acting and deep acting become especially visible. In the first case, the head of the homeowners' association demonstrates calmness and confidence while concealing fatigue or irritation. In the second case, they attempt to change their own attitude towards a conflict situation to preserve empathy towards residents and maintain the possibility of collective action. Because of this, building management appears not as a purely administrative or economic process. It depends to a significant extent on emotional interaction, the maintenance of solidarity, and the ability to reduce tension within the community.

Constant emotional involvement also creates the risk of burnout for the head of the homeowners' association. The necessity of being available to residents, resolving conflicts, maintaining communication, and at the same time preserving restraint gradually leads to emotional exhaustion. Such work often remains invisible, although it is precisely this work that sustains the possibility of collective building management and interaction between co-owners.

Such an approach enables to consider the activities of a homeowners' association as a process in which emotions, mutual support, and perceptions of justice play an important role. The effectiveness of collective governance depends not only on formal procedures or financial resources, but also on the ability to maintain mutual understanding between co-owners.

Thus, the reviewed literature offers several approaches to the analysis of collective governance and local self-government. Theories of collective action explain the problems of passivity, "free-riding", and the mobilisation of large groups. In contrast, approaches to common resource management define the conditions for successful self-organisation. Concepts of social capital and trust emphasise the importance of horizontal ties, reciprocity, leadership, and informal communication. Theories of citizen participation make it possible to analyse the limits of democracy and the distinction between formal and real participation of co-owners in decision-making. Studies of emotional labour focus attention on the role of emotional interaction and the maintenance of trust. At the same time, works on housing sector reform in post-socialist countries emphasise the influence of housing privatisation, weak practices of co-ownership, and the low level of institutional trust on the functioning of homeowners' associations.

At the same time, the **analysed literature insufficiently explains why**, under relatively similar institutional and programme conditions, some associations succeed in mobilising co-owners and implementing energy modernisation projects, while others do not. Existing studies of homeowners' associations and energy-efficiency programmes in Ukraine mainly focus on legal and organisational aspects

of condominium management. They also examine institutional and economic barriers to housing modernisation, as well as the technical implementation of energy-efficiency projects. By contrast, the role of trust, local leadership, informal communication, emotional interaction, and the practices of mobilising co-owners within residential communities remains insufficiently researched. In particular, the “Energodim” programme has been studied only to a limited extent as a social process of coordinating collective efforts and forming a local community.

Thus, the **analytical problem** of this research lies in explaining how social mechanisms of interaction between co-owners influence the ability of homeowners’ associations to engage in collective decision-making and implement energy modernisation projects.

For this reason, the research focuses on the following **question: What social mechanisms contribute to successful collective decision-making in homeowners’ associations?**

This question has broader **social significance**, as a large share of Ukraine’s housing stock requires modernisation. After the privatisation of housing, responsibility for the maintenance of apartment buildings largely shifted to co-owners, while homeowners’ associations became the key form of common property management. The relevance of this topic intensified under the conditions of the full-scale war, Russian attacks on energy infrastructure, and the increase in the cost of utility services. In this context, the state programme “Energodim”, aimed at supporting the energy modernisation of apartment buildings, became one of the main instruments for increasing the energy efficiency of housing in Ukraine.

At the same time, the implementation of such projects is often accompanied by low resident participation, conflicts, distrust, and difficulties in coordinating co-owners. Therefore, the study of social mechanisms of interaction within homeowners’ associations is important for understanding local self-government. It also makes it possible to explain how practices of self-organisation are formed within Ukrainian urban communities. The analysis of the “Energodim” programme using the example of Lutsk enables to investigate how trust, communication, and leadership influence residents’ ability to make collective decisions and implement energy modernisation projects.

ANALYTICAL FRAMEWORK

The analytical framework of the research is formed on the basis of combining several approaches to the study of collective governance, self-organisation, and social relations. The research relies on **institutional and social constructivist** approaches. Within these approaches, collective governance is considered not only as a result of formal rules and economic incentives, but also as a process of social interaction that is formed through trust, communication, and local practices of cooperation. **The theory of collective action** and **common resource management** (G. Hardin, M. Olson, E. Ostrom) explains the difficulties of coordinating co-owners and the conditions for successful self-organisation. **Social capital theory** (P. Bourdieu, J. Coleman, R. Putnam) is used to explain the role of trust, social ties, and informal communication in collective decision-making. Research on **housing reforms in post-socialist countries**, in particular the works of Sasha Tsenkova, makes it possible to take into account the specifics of the institutional and social context of the functioning of homeowners' associations in Ukraine. The **model of citizen participation** by S. Arnstein helps explain and assess the level of residents' involvement in building governance. At the same time, the **concept of emotional labour** by A. R. Hochschild helps to analyse the emotional component of the work of the head of the homeowners' association.

The main concepts of this research are **common property, collective governance, and social capital**.

In this research, an apartment building is considered as a form of **common property** in the understanding of Elinor Ostrom's approach, the management of which requires the coordination of co-owners and the maintenance of a common resource. Such property includes basements, attics, stairwells, and utility systems. Their condition depends on the willingness of co-owners to participate in building maintenance and the coordination of collective decisions. Unlike classical common resources, an apartment building has clearly defined co-owners and formalised property rights. At the same time, building maintenance still requires collective responsibility and coordination between residents.

Collective governance within the framework of the collective action theory of Mansur Olson and Garrett Hardin is considered a process of coordinating the efforts of a group in order to achieve a common goal and participate in the management of common property. Such a process is accompanied by difficulties in mobilising participants, in particular the "free-rider problem" and the "tragedy of the commons". Individual participants may avoid participation in maintaining the resource while at the same time benefiting from its advantages.

A key concept of the research is also **social capital**. Within the framework of Pierre Bourdieu's approach, it is considered a resource of social ties and access to power and assets. James Coleman interprets this concept as a system of mutual obligations, information channels, and social norms that regulate the behaviour of

group participants. Robert Putnam focuses attention on horizontal ties, trust, and civic participation as the basis of effective self-organisation. For the study of homeowners' associations, both horizontal trust between residents and the ability of individual actors to mobilise resources and influence decision-making are important. In the context of homeowners' associations, social capital manifests itself through local leadership, trust between co-owners, informal communication, mutual support, and residents' willingness to participate in collective decision-making.

The **theoretical framework** of the research is based on the **main assumption** that collective decision-making in homeowners' associations depends not only on formal governance rules or economic incentives. Social mechanisms of interaction between co-owners also play an important role, namely: trust, communication, leadership, and residents' willingness to cooperate. It is assumed that social capital and interaction between residents influence their ability to coordinate and implement collective projects.

This work relies on **several sub-assumptions**. **First**, a high level of trust and developed horizontal ties contribute to residents' involvement in decision-making and self-organisation. **Second**, local leadership and informal communication facilitate the coordination of co-owners and the maintenance of cooperation within homeowners' associations. **Third**, conflicts, weak communication, and low readiness to cooperate may complicate the mobilisation of residents even under the same programme opportunities. **Fourth**, the post-socialist context, in particular the low level of institutional trust and weak practices of co-governance, influences the ability of homeowners' associations to engage in collective decision-making. **Fifth**, the success of project implementation within the "Energodim" programme depends not only on financial or technical capacities, but also on social relations within the residential community.

RESEARCH METHODOLOGY

The study is based on **an exploratory research design** and applies a **mixed-methods approach** combining **qualitative and quantitative methods**. The main attention is focused on the qualitative analysis of the experiences of residents and heads of homeowners' association boards. Quantitative data from the online survey are used to supplement and reinforce the identified trends.

Such an approach was chosen because the research focuses on social interaction, everyday practices, and subjective experiences of collective decision-making within homeowners' associations. A qualitative focus makes it possible to analyse these processes in greater depth, while quantitative survey data help to identify broader tendencies among residents.

The research combined **desk-based and field stages of data collection**, as well as analysis of the collected information. Within the framework of the **desk-based research**, the analytical report of the International Finance Corporation (IFC) was analysed, in particular, the analysis of the housing sector legislation of Ukraine. Information presented on the official website of the Energy Efficiency Fund was also examined, including the description of the Fund's activities as a state institution, current support programmes for energy modernisation, and reports on the results of activities. Separately, the Law of Ukraine "On Homeowners' Associations" was analysed, based on which the official procedure of decision-making in homeowners' associations is described in the research. In addition, statistical data of the State Statistics Service of Ukraine regarding the number of homeowners' associations in Ukraine were used.

The **field stage** was conducted during the period from November 2025 to February 2026 and included an online survey through Google Forms, semi-structured interviews, ethnographic observations, and keeping field notes.

The **empirical basis** of the research consisted of homeowners' associations in the city of Lutsk that had already completed or were implementing energy modernisation projects. The choice of this city is given by the fact that homeowners' associations of the Volyn region, in particular Lutsk, are among the most active participants in the "Energodim" programme in Ukraine.

The **research sample** consisted of homeowners' associations in Lutsk selected through purposive sampling. The main selection criteria were the status of participation in the "Energodim" programme (completed project or implementation stage) and the availability of heads of homeowners' associations for conducting in-depth interviews.

The **questionnaire** contained closed and open-ended questions and was distributed through the head of the homeowners' association among building residents. **Interviews** were conducted with the heads of homeowners' associations in Lutsk, their residents, and an energy-efficiency consultant in the Volyn region.

A separate part of the research was a **visit** to Lutsk. During the visit, buildings that had already completed energy modernisation or were in the implementation process were visited. On-site, it was possible to conduct **informal conversations** with residents and several heads of homeowners' associations. This helped to better understand the practical experience of project implementation and the process of collective decision-making.

For the analysis of the collected data, **thematic analysis** of interviews and open-ended responses, **coding of recurring themes**, as well as descriptive analysis of survey results were applied.

The research has **several limitations**. The sample is not representative of all homeowners' associations in the city of Lutsk or Ukraine in general. Access to respondents largely depended on the heads of homeowners' associations and the energy-efficiency consultant in the Volyn region, who assisted in establishing contacts with research participants.

Internal communication between residents also remained partially inaccessible for the research. **Refusal** to provide access to homeowners' association chats made direct observation of interaction between co-owners impossible. This may be considered as an indicator of a limited level of trust towards external participants and the desire of co-owners to keep internal communication closed to outsiders. For the heads of homeowners' associations, including a researcher in the chats could create additional responsibility before residents, the necessity to explain the purpose of the research, as well as the risk of distrust or undesirable discussions within the community. Thus, the refusal of access itself is indicative of understanding the peculiarities of internal communication and the level of social trust in homeowners' associations.

Data collection was complicated by the **low activity of respondents**. The online survey progressed slowly, and there was a need to regularly remind residents about participation through the heads of homeowners' associations. Such a situation may also indicate broader social tendencies. Some residents did not perceive direct personal benefit from participation in the research or were not ready to spend their own time completing the survey. In addition, heads of homeowners' associations associated the decrease in the level of residents' involvement with the consequences of the full-scale war, in particular, emotional exhaustion, increased social withdrawal, and a general decline in civic activity. This may also indicate the transformation of practices of participation and communication in local communities during wartime. At the same time, this may also indicate the limited level of involvement of some co-owners in the activities of homeowners' associations and the processes of collective decision-making.

As a result, greater attention was paid to interviews and the experiences shared by respondents. However, the collected data made it possible to identify key tendencies of collective decision-making in the processes of energy modernisation of apartment buildings.

FINDINGS

This section presents the results of the desk-based and empirical research. Within the framework of the desk-based research, the reform of the housing sector in Ukraine is examined, in particular, the transformation of apartment building management, the creation of the Energy Efficiency Fund, its programmes, and the results of its activities. The legally defined procedure of decision-making in homeowners' associations is also analysed. The empirical part presents the results of the thematic analysis of qualitative interview data and the quantitative survey conducted among representatives of homeowners' associations in the city of Lutsk.

Desk research findings

Housing reform in Ukraine

After the collapse of the Union of Soviet Socialist Republics (USSR), the housing stock of post-socialist countries underwent radical changes. Thousands of buildings that previously belonged to the state and were serviced by housing maintenance offices (ZhEKs) were transferred into the private ownership of citizens through mass housing privatisation. The aim was to create active and responsible owners capable of maintaining common property, ensuring housing repairs, and participating in building self-governance. However, the reality turned out to be contradictory. Formally, people became apartment owners, but in practice, they continued to live as if they still resided in state housing, where responsibility for building maintenance is primarily assigned to the state or municipal services. This gave rise to the phenomenon of owners without a sense of ownership: residents perceived mainly their own apartments as property, but not the building as a whole. Such an approach significantly influenced the development of housing policy, the system of building management, and the creation of homeowners' associations.

Privatisation and the problem of responsible co-ownership in Ukraine

After gaining independence, Ukraine inherited a system of apartment housing management formed under the conditions of a centrally planned economy. Its key features, according to the **report of the International Finance Corporation (IFC)** ¹⁷, were the absence of private ownership of apartments and common premises, the lack of opportunities and motivation among residents to participate in resolving housing and communal issues, as well as the absence of instruments for collective decision-making. The system was maintained thanks to the paternalistic

¹⁷ International Finance Corporation, *Current state of multi-family buildings management in Ukraine: Analytical report* (IFC, 2020), 15.

role of the state and local authorities, a high level of subsidisation, and a low share of expenses actually paid by households. Municipal enterprises functioned inefficiently, while the quality of services provided to residents was mostly unsatisfactory.

As noted in the IFC report ¹⁸, the transition to market mechanisms required the creation of a new legal environment. As in other countries of Eastern Europe, the starting point became mass housing privatisation in the early 1990s. However, unlike countries that later joined the EU (Lithuania, Poland), further key reforms in Ukraine took place much more slowly.

The first legal foundations of modern relations in apartment buildings were established as early as 1991 with the adoption of the **Law of the Ukrainian SSR “On Property”** ¹⁹. This act, for the first time, recognised an apartment as an independent object of private property and opened the possibility of separating it from the building as an integral property complex. The law also created the basis for the beginning of privatisation, namely: tenants were allowed to buy out their apartments, while members of housing construction cooperatives who had fully paid their share contributions automatically acquired ownership rights. As a result, it was this document that launched the mass transfer of housing into the private sphere, which determined the further development of housing relations in the country.

As stated in the analytical IFC report ²⁰, the process of mass housing privatisation continued after the adoption in 1992 of the **Law of Ukraine “On the Privatisation of the State Housing Fund”** ²¹. It was this law that opened the possibility for the large-scale and effectively preferential (free of charge) transfer of apartments into the private ownership of the population. As a result, more than 90% of apartments in Ukraine have now been privatised.

Citizens obtained ownership rights to apartments, but an important point remained overlooked, namely that under this act, not only apartments were privatised, but also shares in the common property of the building (roof, basement, engineering networks, walls, lifts). However, the overwhelming majority of new owners did not realise that privatisation imposed on them obligations regarding the maintenance of the entire building, and not only their residential premises.

Despite the role of the law as the formal start of housing reform, a number of its provisions in fact restrained the formation of a market for professional housing management.

First, the legislation did not create a real mechanism for collective decision-making. The norm, according to which any decision regarding common property

¹⁸ Ibid.

¹⁹ Verkhovna Rada of Ukraine, *Pro vlasnist* [On property], Law No. 697-XII (February 7, 1991).

²⁰ International Finance Corporation, *Current state of multi-family buildings management in Ukraine: Analytical report* (IFC, 2020), 48.

²¹ Verkhovna Rada of Ukraine, *Pro pryvatyzatsiiu derzhavnogo zhytlovoho fondu* [On privatization of the state housing fund], Law No. 2482-XII (June 19, 1992).

required the consent of 100% of co-owners, made collective governance practically impossible.

Second, the law preserved the monopolistic position of municipal enterprises, without granting co-owners the right to independently choose another manager.

Third, the obligation to finance the first capital repairs of buildings remained with the state and local self-government bodies, which maintained residents' belief that responsibility for building maintenance still lay with the authorities.

This significantly complicated any attempts to develop active co-ownership practices and encourage residents to unite for the proper management of their buildings. Despite the new rules, the behaviour and economic thinking of citizens living in apartment buildings remained "old". The described situation confirms Sasha Tsenkova's thesis that housing privatisation in post-socialist countries outpaced the formation of institutions of responsible governance.²² The mismatch between formal ownership and the absence of conscious responsibility for common property led to the formation of the paradox of the "owner without a sense of ownership".

The next stage in the process of forming relations of common ownership in apartment buildings was the adoption in 2001 of the **Law of Ukraine "On Homeowners' Associations"**²³ (Law "On Homeowners' Associations"), which, although it opened the possibility of creating homeowners' associations, did not ensure qualitative changes in the implementation of rights to manage common property. The problem was that at that time, not all residents of the building could join homeowners' associations, but only those willing to do so; the decisions of the association were binding only for its members, although they were supposed to concern all co-owners. As a result, no real responsible owner of the building as a whole was formed, both because of imperfections in the legislation and because of insufficient informational and explanatory work regarding the rights and obligations of co-owners.

The new **Civil Code of Ukraine**²⁴ clarified and developed the provisions of previous laws, in particular Article 382, which provided a more complete definition at that time of the common property of an apartment building.

Parallel with the formation of new approaches to the understanding of property, there emerged a need to regulate the processes of building maintenance, and in 2004, the **Law of Ukraine "On Housing and Communal Services"**²⁵ was adopted (this version has lost legal force). It became the main document that distinguished the roles of the consumer and the service provider. For homeowners'

²² S. Tsenkova, *Housing policy reforms in post-socialist Europe: Lost in transition* (Springer, 2009), 9–20.

²³ Verkhovna Rada of Ukraine, *Pro obiednannia spivvlasnykiv bahatokvartyrnoho budynku* [On associations of co-owners of a multi-apartment building], Law No. 2866-III (November 29, 2001).

²⁴ Verkhovna Rada of Ukraine, *Tsyvilnyi kodeks Ukrainy* [Civil Code of Ukraine], Law No. 435-IV (January 16, 2003).

²⁵ Verkhovna Rada of Ukraine, *Pro zhytlovo-komunalni posluhy* [On housing and communal services], Law No. 1875-IV (June 24, 2004).

associations, this law had a dual effect: on the one hand, it gave associations the possibility to act as a collective customer of services for the entire building, while on the other hand, it effectively preserved the monopoly of municipal enterprises, since changing the service provider was very difficult.

Until 2015, the legislation in the sphere of apartment building management hardly changed; the adopted norms concerned individual issues but did not influence the general principles of the functioning of the system. The main achievements remained housing privatisation and the possibility of creating homeowners' associations; fully-fledged market relations were never formed, which corresponds to the incomplete post-socialist housing transformation described by Tsenkova.²⁶ Co-owners in practice could not effectively manage common property because of the absence of an effective decision-making mechanism, the unclear distribution of responsibility, and the preservation of control by local self-government bodies over service providers and tariffs.

Restart of housing reform and the transition to active management of apartment buildings

Ukraine undertook international obligations in the field of energy efficiency after joining the **Treaty establishing the Energy Community**²⁷ in 2010 and signing the **Association Agreement with the European Union (EU) and the European Atomic Energy Community (Euratom)**²⁸ in 2014. One of the key directions of these obligations became the reduction of excessive thermal energy consumption in the housing sector and the approximation of energy-efficiency indicators to European standards. This became an important impetus for reforming the system of apartment building management and the market of housing and communal services. The purpose of which was to ensure quality building management, comfortable and safe living conditions, and economically justified service costs.

In order to achieve these goals, the reform envisaged the formation of a conscious consumer who was supposed to receive real instruments of influence over building management. The reform was also aimed at de-monopolising the market through the admission of new competitive service providers and the gradual removal of state price regulation. A separate direction became the increase of the energy

²⁶ S. Tsenkova, *Housing policy reforms in post-socialist Europe: Lost in transition* (Springer, 2009), 9–20.

²⁷ Verkhovna Rada of Ukraine, *Pro ratyfikatsiiu Dohovoru pro zasnuvannia Enerhetychnoho Spivtovarystva* [On ratification of the Treaty establishing the Energy Community], Law No. 2787-VI (December 15, 2010).

²⁸ Verkhovna Rada of Ukraine, *Pro ratyfikatsiiu Uhody pro asotsiatsiiu mizh Ukrainoiu, z odniiei storony, ta Yevropeiskym Soiuzom, Yevropeiskym spivtovarystvom z atomnoi enerhii i yikhnoi derzhavamy-chlenamy, z inshoi storony* [On ratification of the Association Agreement between Ukraine, of the one part, and the European Union, the European Atomic Energy Community and their Member States, of the other part], Law No. 1678-VII (September 16, 2014).

efficiency of the housing stock through the creation of conditions and mechanisms of state support for relevant measures.

The start of the restart of the reform may be considered the adoption of new editions of the laws: the **Law of Ukraine “On the Peculiarities of Exercising Ownership Rights in an Apartment Building” (2015)** ²⁹ and the **Law of Ukraine “On Housing and Communal Services” (2017)** ³⁰. The adoption of these acts created legal preconditions for market development. They provided co-owners with effective mechanisms for property management and choosing a form of governance. In addition, the status of managers was defined, and the possibility for the emergence of a professional service of comprehensive apartment building management was opened.

At the same time, amendments to the Law “On Homeowners’ Associations” simplified the activities of associations, namely: **membership was abolished** ³¹, **the quorum requirement was removed** ³², and a **written voting procedure was introduced** ³³, which made building management more flexible and convenient. The new legislative field, together with large-scale explanatory work, contributed to the rapid growth in the number of homeowners’ associations in 2015-2017; however, after 2017, the pace of their creation noticeably declined (see Graph 1, created using Microsoft Excel).

Homeowners’ associations play a key role in this system, since it is they who ensure effective management of common property, provide co-owners with real mechanisms of decision-making, and open access to financing for energy-efficiency projects. Statistics also confirm the dynamic but uneven nature of the development of this sector. In particular, the number of homeowners’ associations increased from 15,018 in 2012 to 41,641 in 2025, while the most intensive growth was observed specifically in 2015-2017 (1,117 in 2015, 8,971 in 2016, 1,919 in 2017). After 2017, the pace of growth gradually decreased, but was still better than the growth rates before 2015. At the same time, as stated in the analytical IFC report, according to the data of the Ministry for Communities and Territories Development of Ukraine, as of 2019, there were around 180 thousand apartment buildings in Ukraine, and only 18% of

²⁹ Verkhovna Rada of Ukraine, *Pro osoblyvosti zdiisnennia prava vlasnosti u bahatokvartyrnomu budynku* [On the peculiarities of the exercise of the right of ownership in a multi-apartment building], Law No. 417-VIII (May 14, 2015).

³⁰ Verkhovna Rada of Ukraine, *Pro zhytlovo-komunalni posluhy* [On housing and utility services], Law No. 2189-VIII (November 9, 2017).

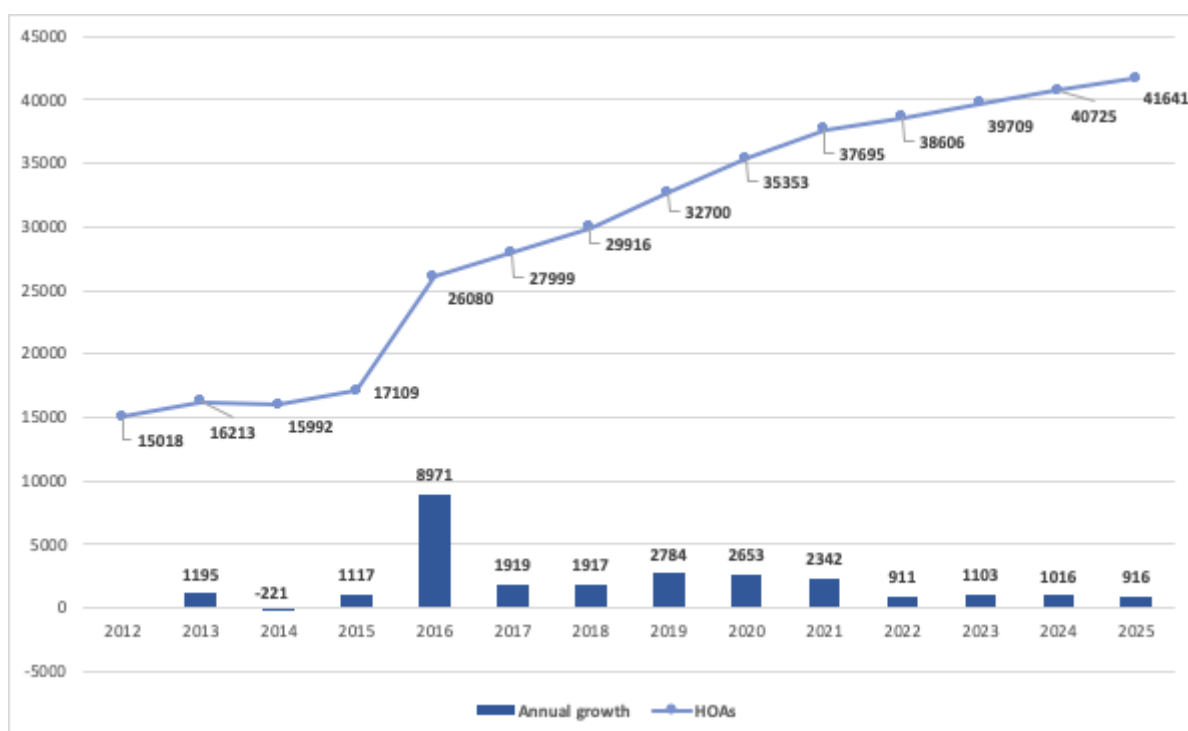
³¹ Before the changes, only those who had specially submitted an application and joined the homeowners’ association had the right to vote; sometimes, decisions for the entire building were made by a small part of the owners. With the abolition of membership, every apartment owner automatically has the right to vote and may participate in building governance.

³² Before the changes, meetings could not adopt any decision without a quorum; if fewer than half of the residents attended, the meetings did not take place. After the changes, the number of those present does not matter: the meeting only launches the process, while the final decision is adopted through a written survey of all co-owners.

³³ If there are not enough votes at the meeting to adopt a decision, within 45 days the initiative group may survey each co-owner separately. The collected signatures are added to the votes of the meeting participants and together form the final decision.

these buildings had created homeowners' associations. This, in turn, confirms that the slowing pace of association creation is caused not so much by legislative barriers as by behavioural and organisational factors among the co-owners themselves. Such a situation demonstrates the importance of social capital, in particular trust and residents' willingness to cooperate in the process of collective governance.

Graph 1. Dynamics of the creation of homeowners' associations in Ukraine during the period 2012-2025



Note: Created by the author using Microsoft Excel based on statistical data of the State Statistics Service of Ukraine for 2012-2025. ³⁴

Source: [State Statistics Service of Ukraine](#).

Thus, although the reform provided the necessary instruments and stimulated the rapid development of homeowners' associations in 2015-2017, this proved insufficient to ensure a stable pace of their spread. Tsenkova's approach shows that effective co-ownership requires not only residents' activity, but also state support and consistent housing policy. ³⁵ For this reason, additional incentives from the state and municipalities remain important, for example financial support programmes, which may activate the self-organisation of co-owners and contribute to the further development of homeowners' associations.

³⁴ Excluding the temporarily occupied territory of the Autonomous Republic of Crimea and the city of Sevastopol.

³⁵ S. Tsenkova, *Housing policy reforms in post-socialist Europe: Lost in transition* (Springer, 2009), 15–23.

It is also worth mentioning the **Law of Ukraine “On the Basic Principles of Housing Policy”** ³⁶, adopted in January 2026, which may become the final stage of the transition from the Soviet model of housing maintenance to the European model of the **responsible owner** ³⁷, where it is precisely the co-owners, rather than servicing organisations or the state, who are responsible for the technical condition and development of their building. The law supports the development of the market of professional managers, strengthens the orientation of housing policy towards energy efficiency, and gives homeowners’ associations broader access to programmes financing modernisation. It also envisages the digitalisation of the housing sphere, more transparent registers, and easier access of homeowners’ associations to information, as well as defining new rules for the participation of local self-government bodies as co-owners of social housing. Separate attention is devoted to the protection of common property, which strengthens the legal possibilities of homeowners’ associations in resolving disputed issues. At the same time, the real results of the implementation of this law will be possible to assess only over time.

Energy efficiency policy and the “Energodim” programme

A significant part of Ukraine’s housing stock was built before 1990. The building standards according to which construction was carried out at that time provided for a low level of energy efficiency. In addition, in many buildings, capital repairs and modernisation of building utility systems were not carried out. Therefore, in order to stimulate economical consumption and increase energy efficiency in the housing sector, the government of the country introduces state instruments of financial support, which are mainly provided in the form of grants. Such practice corresponds to Tsenkova’s thesis about the importance of state support and institutional regulation in the process of post-socialist housing transformation. ³⁸ Modernisation of the housing stock requires not only the activity of co-owners, but also external financial incentives. Such initiatives operate at the national and local levels. In some cases, these programmes are supported by international donor partners and international financial institutions. One such example is the activity of the **State Institution “Energy Efficiency Fund of Ukraine”** ³⁹ and its programmes **“Energodim”**, **“Vidnovydim”**, and **“Grindim”**.

The creation of the Fund was initiated by the Ministry for Communities and Territories Development of Ukraine, with the support of international partners,

³⁶ Verkhovna Rada of Ukraine, *Pro osnovni zasady zhytlovoi polityky* [On the basic principles of housing policy], Law No. 4751-IX (January 13, 2026).

³⁷ By a responsible owner, this work understands a housing owner who recognises their responsibility not only for their own apartment, but also for the common property of the building, and participates in the management of the apartment building.

³⁸ S. Tsenkova, *Housing policy reforms in post-socialist Europe: Lost in transition* (Springer, 2009), 15–23.

³⁹ Energy Efficiency Fund, *Pro Fond* [About the Fund].

based on the **Law of Ukraine “On the Energy Efficiency Fund”** ⁴⁰. This law defines the legal and organisational foundations of the Fund’s activity and establishes its role as a key instrument for the implementation of comprehensive energy modernisation projects in the housing sector.

The mission of the institution is to improve the quality of life of residents and reduce their expenses on communal services through support for energy-efficiency measures and the restoration of apartment buildings.

One of the key differences between the programmes of the Energy Efficiency Fund and other energy modernisation programmes is its comprehensive approach. It envisages not separate but systemic solutions that make it possible to achieve a real reduction in energy resource consumption and increase the efficiency of investments, especially in apartment buildings.

The Fund provides homeowners’ associations with grant support for the implementation of comprehensive solutions for energy modernisation and reconstruction, orienting itself towards European practices. At the same time, it fulfils the role of an instrument for implementing state policy in these spheres and functions through state financing and the support of international partners (the EU and the government of Germany).

Currently, the Energy Efficiency Fund implements three main programmes in the housing sector:

1) **“Energodim”** ⁴¹ - the first programme of the Fund aimed at increasing the energy efficiency of apartment buildings. Since 2019, the Energy Efficiency Fund has compensated homeowners’ associations from 40% to 70% of expenses for facade insulation, roof insulation, renewal of engineering systems, installation of an individual heating unit (IHU), and replacement of old doors and windows in common areas.

2) **“Vidnovydim”** ⁴² - the programme is aimed at the repair and reconstruction of residential buildings damaged as a result of military actions. It started on 21 November 2022 and operates as an initiative of the Energy Efficiency Fund. The money is provided in the form of a grant, meaning it does not need to be repaid. The state and the European Union finance 100% of the cost of works and materials. The total amount of assistance for one building cannot exceed 10 million hryvnias.

3) **“Grindim”** ⁴³ - the programme encourages the use of renewable energy sources. It envisages the provision of grants on a non-refundable basis to homeowners’ associations and housing construction cooperatives (HCCs) for the installation of equipment, in particular solar power stations, heat pumps, and other

⁴⁰ Verkhovna Rada of Ukraine, *Pro Fond enerhoefektyvnosti* [On the Energy Efficiency Fund], Law No. 2095-VIII (June 8, 2017).

⁴¹ Energy Efficiency Fund, *Prohrama “Enerhodim”* [“Enerhodim” program].

⁴² Energy Efficiency Fund, *Prohrama “VidnovyDIM”* [“VidnovyDIM” program].

⁴³ Energy Efficiency Fund, *Prohrama “HrinDIM”* [“GreenDIM” program].

solutions for increasing the energy independence of buildings. The amount of support constitutes up to 70% of the cost of equipment (for solar power stations, heat pumps, and energy storage systems) and up to 50% of the cost of generators.

Speaking about the results of the Fund's activity, in 2025, **881 projects** were fully completed under the three programmes, in particular: ⁴⁴

- **281** projects under the “Energodim” programme, and grants amounting to 606.2 million UAH were issued;
- **464** projects under the “Vidnovydim” programme with a total grant volume of 630.2 million UAH;
- **136** projects under the “Grindim” programme, under which 121.7 million UAH were paid.

Summarising the results of the Fund's activity over all years, it should be noted that from 2019 until the end of December 2025, **1,876** projects were implemented under all programmes, while the total volume of paid grants amounted to **4.2 billion UAH**. ⁴⁵ Thus, the activity of the Fund reflects the transition from the model of passive maintenance of the housing stock by the state to a model that stimulates the modernisation of buildings by the co-owners themselves.

Next, the results of the implementation of the “Energodim” programme, which envisages the introduction of comprehensive energy-efficiency measures, will be examined in more detail. During 2019-2025, **614 projects** were implemented within the framework of the programme (see Figure 1, created using Microsoft PowerPoint). ⁴⁶

According to the data of Fund ⁴⁷, as of the end of 2025, the **Volyn region** is the leader in the number of implemented projects on the energy modernisation of apartment buildings in homeowners' associations: 122 projects have been completed, while another 39 are at the implementation stage. The Lviv region is second in scale, where 98 projects have been implemented, and 34 are in the implementation process. Next comes Mykolaiv region with 57 completed and 39 still ongoing, Rivne region - 50 and 21 respectively, as well as Odesa region, where 44 projects have been implemented, and 15 are in progress.

In connection with this, the question arises as to which factors may explain the leading position of the Volyn region in project implementation. In order to answer this question, the results of the field research regarding how homeowners' associations in Lutsk make collective decisions will be analysed further, since within the Volyn region, the largest number of projects under the “Energodim” programme has been implemented precisely in this city.

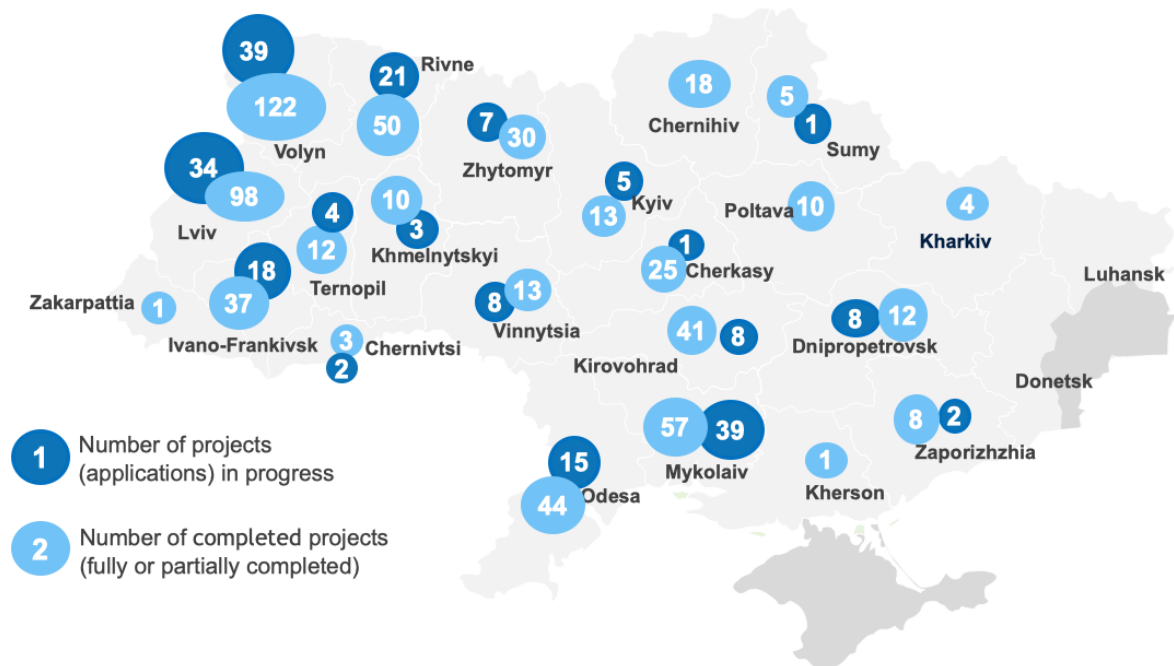
⁴⁴ Energy Efficiency Fund, *Daydzhest Fondu enerhoefektyvnosti za 2025 rik* [Digest of the Energy Efficiency Fund for 2025] (2025), 3.

⁴⁵ Ibid., p. 4.

⁴⁶ Ibid., p. 6.

⁴⁷ Ibid.

Figure 1. Results of the implementation of the “Energodim” programme by region



Note: Created by the author using Microsoft PowerPoint based on data from the Energy Efficiency Fund for 2019-2025. ⁴⁸

Source: [State Institution “Energy Efficiency Fund”](#).

Procedure of collective decision-making in HOAs

According to the **Law of Ukraine “On Homeowners’ Associations”**, a homeowners’ association is a legal entity created by the owners of apartments and non-residential premises for the management, maintenance, and use of the common property of the building. ⁴⁹ The basis of the activity of homeowners’ associations is the principle of collective governance, according to which key decisions regarding the functioning of the building are adopted jointly by co-owners.

In accordance with the legislation, building management is carried out through the governing bodies of the homeowners’ association, while the procedure of decision-making is determined by the law and the statute of a particular association.

The Law “On Homeowners’ Associations” states that the key document regulating the internal activity of homeowners’ associations is the statute. It defines the procedure for convening and conducting general meetings, the voting procedure,

⁴⁸ Ibid.

⁴⁹ Verkhovna Rada of Ukraine, *Pro obiednannia spivvlasnykiv bahatokvartyrnoho budynku* [On associations of co-owners of a multi-apartment building], Law No. 2866-III (November 29, 2001).

the list of issues for which a qualified majority of votes is required, the powers of governing bodies, as well as the rights and obligations of co-owners.

According to the legislation, the highest governing body of a homeowners' association is the general meeting of co-owners. It is precisely through the general meeting that the mechanism of collective decision-making is implemented. The competence of the general meeting includes the adoption of the most important decisions regarding the activity of the association: approval of the statute and amendments to it, election of the board, determination of the amount of contributions and payments, approval of the budget, adoption of decisions regarding repairs, reconstruction of the building, or participation in modernisation programmes.

The procedure of decision-making begins with the convening of a general meeting. In accordance with the Law "On Homeowners' Associations", the initiator of the meeting may be the board of the homeowners' association or an initiative group consisting of at least three co-owners. The legislation provides that co-owners must be notified about the holding of the meeting no later than 10 calendar days before the date of its holding. The notification must contain information about the date, time, place of holding the meeting, and the agenda.

The law also permits the possibility of remote participation of co-owners in meetings through means of electronic communication in the format of a videoconference. In such a case, voting is carried out through survey sheets.

During the general meeting, co-owners discuss the issues on the agenda and conduct voting. According to the legislation, decisions are adopted through nominal voting. The number of votes of each co-owner is determined proportionally to the area of the apartment or non-residential premises that are in their ownership. At the same time, the law provides for separate exceptions. For example, if one person owns more than 50% of the total area of the building, each co-owner has one vote regardless of the area of the property belonging to them.

For the adoption of most decisions, more than 50% of the votes of co-owners is sufficient. However, for certain important issues, the support of 67% or 75% of votes may be required depending on the requirements of the law or the statute of the homeowners' association. For example, this may concern decisions regarding the reconstruction of the building, changing the form of governance, or significant financial expenditures.

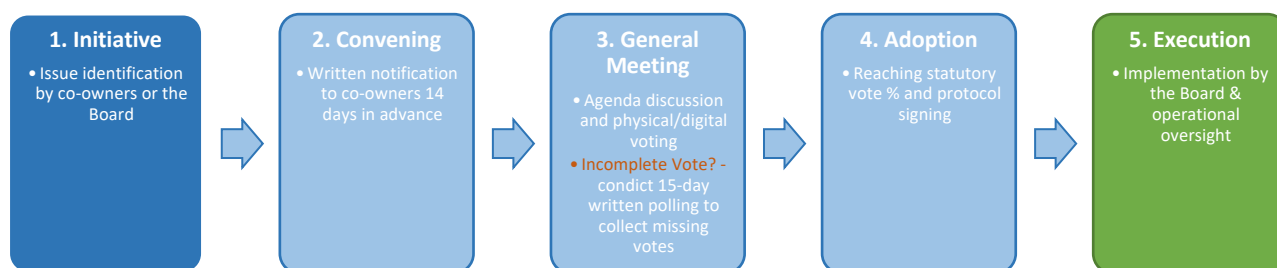
In cases where during the general meeting it was not possible to collect the necessary number of votes, the legislation provides for conducting a written survey of co-owners who did not participate in the voting. Such a survey may last up to 45 calendar days after the holding of the meeting. Each co-owner fills in and signs a survey sheet indicating their decision ("for" or "against").

The results of voting are formalised in the minutes of the general meeting. The minutes record the date and place of holding the meeting, the list of participants, the issues on the agenda, and the results of voting on each issue. After the completion of

the meeting or written survey, the decisions are communicated to co-owners no later than 15 calendar days in the manner determined by the legislation or the statute of the homeowners' association (see Scheme 1, created using Microsoft Word SmartArt).

To ensure the current activity of the homeowners' association, a board is elected, which is the executive body of the association and is accountable to the general meeting. The board organises the implementation of adopted decisions, prepares the budget, concludes contracts, controls the payment of contributions, and organises the holding of general meetings.

Scheme 1. Statutory decision-making process in a homeowners' association



Note: Created by the author using Microsoft Word SmartArt based on the Law of Ukraine “On Homeowners’ Associations”.

Source: [Law of Ukraine “On Homeowners’ Associations”](#).

The legislation also provides for the position of the head of the board of the homeowners' association. The first composition of the board and the head of the board are elected by the constituent meeting, while the procedure for their election and recall is determined by the statute of the homeowners' association. The head of the board coordinates the current activity of the association, represents the interests of the homeowners' association, and ensures the implementation of decisions of the general meeting of co-owners.

In addition to the board, a revision commission functions within the homeowners' association, which is elected by the general meeting to control the financial and economic activity of the association. Its main functions include checking the use of funds, controlling financial reporting, and supervising the activity of the board.

Thus, the legislation defines homeowners' associations as a form of collective building governance, where key decisions are adopted by co-owners through general meetings and voting. The established procedures for conducting meetings and

adopting decisions are intended to ensure transparency of governance and consideration of the interests of residents. At the same time, co-owners bear collective responsibility for the maintenance and development of the building. Such an approach corresponds to E. Ostrom's concept of collective governance of common resources, since it presupposes the existence of defined rules, decision-making procedures, and the obligatory nature of their implementation for all participants.⁵⁰

Empirical research findings

In the previous section, it was examined how decisions are adopted in homeowners' associations in accordance with the legislation and which procedures are envisaged for this. In particular, decisions regarding repairs, reconstruction of the building, or participation in modernisation programmes such as "Energodim" are adopted by co-owners during general meetings through voting. At the same time, in order to obtain the necessary number of votes and support participation in the programme, the formal procedure alone is insufficient. An important role in this process is played by social mechanisms that influence the formation of support for the decision among residents. For this reason, this section analyses the factors that contributed to residents' support for the decision to participate in the "Energodim" programme in the city of Lutsk.

Overview of empirical data and participants

The empirical research was conducted in Lutsk during the period from November 2025 to February 2026 and combined qualitative and quantitative methods of data collection. The choice of this city was based on the fact that within the Volyn region, which is the leader in the number of implemented projects under the "Energodim" programme, the largest number of them has been implemented precisely in Lutsk. Such a mixed approach made it possible to comprehensively study the everyday practices of residents' self-organisation and communication, and the tendencies of co-owners' participation in the processes of energy modernisation.

The qualitative part of the research was implemented through semi-structured in-depth interviews. The chosen method helped examine not only the formal mechanisms of the activity of homeowners' associations, but also the everyday practices of interaction, communication, and collective decision-making in the process of participation in the "Energodim" programme.

Within the qualitative stage of the research, 15 interviews were conducted with three categories of respondents:

- 6 interviews with heads of homeowners' associations;

⁵⁰ E. Ostrom, *Governing the commons: The evolution of institutions for collective action* (Cambridge University Press, 1990), 88–101.

- 8 interviews with residents of homeowners' associations;
- 1 interview with an energy-efficiency consultant in the Volyn region.

The involvement of different categories of respondents made it possible to compare different perspectives regarding the processes of collective governance and participation in the energy modernisation programme. The heads of homeowners' associations provided information about organisational mechanisms, mobilisation of residents, and implementation of decisions. Interviews with residents enabled to study the level of co-owners' participation, their attitude towards modernisation, and perceptions of the activity of the homeowners' association board. The interview with the expert provided an external assessment of the peculiarities of implementing the "Energodim" programme, typical difficulties of homeowners' associations, and factors of successful modernisation.

All respondents were directly connected with the implementation of the "Energodim" programme: some homeowners' associations had already completed projects, while others were at different stages of their implementation. The age of interview participants ranged from 30 to 77 years, while the largest number of respondents belonged to the 50-60 age group. Women predominated among the respondents - men constituted a smaller part of the sample. The majority of heads of homeowners' associations in the sample were women, which reflects the widespread practice of female leadership in the sphere of housing self-governance.

The interviews were conducted offline and online. For conducting offline interviews, several research visits to the city of Lutsk were carried out. In this format, 2 interviews with heads of homeowners' associations, 1 interview with the consultant, and 6 interviews with residents were conducted. The remaining interviews took place online. The combination of the two formats ensured flexibility of data collection and consideration of respondents' availability.

To ensure confidentiality, a system of coding respondents was used in the work:

- heads of homeowners' associations - H1-H6;
- residents of homeowners' associations - R1-R8;
- energy-efficiency expert - E1.

The analysis of qualitative data was carried out using the method of thematic analysis. In the process of coding, key themes and subthemes that were repeated in interviews of different groups of respondents were identified.

To supplement the qualitative results and identify broader tendencies of co-owners' participation in the processes of energy modernisation, a quantitative online survey was also conducted. The questionnaire was distributed through the heads of 29 homeowners' associations, who sent it to the building group chats and personal messages to residents. As a result, 50 responses were received from representatives of 13 different homeowners' associations in the city of Lutsk.

At the same time, uneven respondent activity was observed: the largest number of responses (30% of all questionnaires) was provided by residents of one homeowners' association, where, at the moment of conducting the survey, an active phase of facade insulation of the building was ongoing. This may indicate a higher level of mobilisation and involvement of residents during the period of direct project implementation.

The analysis of demographic characteristics made it possible to form a generalised portrait of the respondent. The overwhelming majority of survey participants were women (76%). The most represented age group consisted of people aged 41-60 years (50%), another 26% of respondents were persons aged 26-40 years, while 22% were residents aged 60+. Young people under 25 constituted only 2% of respondents, which may indicate a lower level of involvement of younger residents in issues of building governance.

The majority of respondents (88%) have children, which may be an additional factor of interest in improving living comfort and the energy efficiency of the building. The main part of the sample consisted of apartment owners (73%). Members of homeowners' association boards (16%), heads of homeowners' associations (3%), and tenants (6%) also participated in the survey.

An important characteristic is the duration of respondents' residence in the building: 78% of respondents have lived in their building for more than 10 years. This indicates that the majority of research participants are part of a stable local environment, are well acquainted with the problems of their building, and are interested in its long-term development.

The interviews and questionnaires provided insight into forming a generalised portrait of a resident of a Lutsk homeowners' association who participates in the life of their building: this is predominantly a mature woman, an apartment owner, who has children and has lived in the building for more than 10 years. She is well integrated into the community, is interested in the condition of the building, and follows its development.

Personalised leadership and trust as the basis of collective governance

The head of the HOA as a key agent of collective action

One of the central themes of the interviews was the role of the head of the homeowners' association in the process of collective decision-making. Regardless of the respondents' position, it was precisely the HOA head who was described as the key agent initiating changes, organising the decision-making process, and coordinating the implementation of collective projects. In the context of the "Energodim" programme, the role of the head proved especially important, since it was he or she who took responsibility for launching and advancing the modernisation of the building. This confirms Olson's theory of collective action, according to which collective action does not arise automatically even in the presence of a common

interest, but requires an actor capable of coordinating the interaction of participants.

51

The heads of homeowners' associations described their role much more broadly than formal administration, which includes maintaining documentation, organising meetings, and controlling building maintenance. They acted as initiators of decisions and coordinators of the modernisation process. One respondent directly stated: *"The head is the engine, the initiator of all proposals"* (H5)⁵². Another head of a homeowners' association described the process of mobilising residents as the gradual formation of support around the idea of change: *"I prepared the ground, and then threw little seeds there so that it would grow"* (H4). Another respondent emphasised the personalised character of governance: *"The strategy is such that there is a head of the homeowners' association who resolves all these issues... I am glad to help people, and I like it"* (H6).

In most cases, it was precisely the heads of homeowners' associations who took on the main volume of organisational work. This concerned both the preparation of documents and conducting meetings, as well as communication with residents and collecting signatures. One of the heads of a homeowners' association emphasised that she carried out a significant part of the work independently: *"Mostly myself... collecting signatures, I carried out this work myself"* (H2). At the same time, she emphasised the difficulty of such activity because of the high workload and insufficient support: *"In order to complete the volume of work, time, nerves, and desire are needed. Few people agree to this"* (H2).

The research also showed that heads of homeowners' associations often combined managerial and leadership functions. Some respondents described themselves not only as administrators, but also as people who promote ideas and stimulate change. One of the heads of a homeowners' association noted: *"More likely somewhere also a leader. Because I want to do something and already propose it to them, start pushing them"* (H3). In this case, the head acts not only as the executor of co-owners' decisions, but as an active subject who forms the agenda of the building. At the same time, some residents noted the high level of autonomy of the head in the governance process: *"She takes into account the opinions of residents and does as she considers necessary"* (R4).

Residents also recognised the central role of the HOA head in the functioning of the building. Most often, they described the head through leadership and organisational characteristics: *"The head of the homeowners' association performs the role of a leader, generator of ideas"* (R2), *"The head knows how to communicate, feels the balance"* (R1), and *"The main role, forms the opinion of the majority"* (R8). Some residents emphasised the competence and ability of the head to coordinate

⁵¹ M. Olson, *The logic of collective action: Public goods and the theory of groups*, rev. ed. (Harvard University Press, 1971), 2.

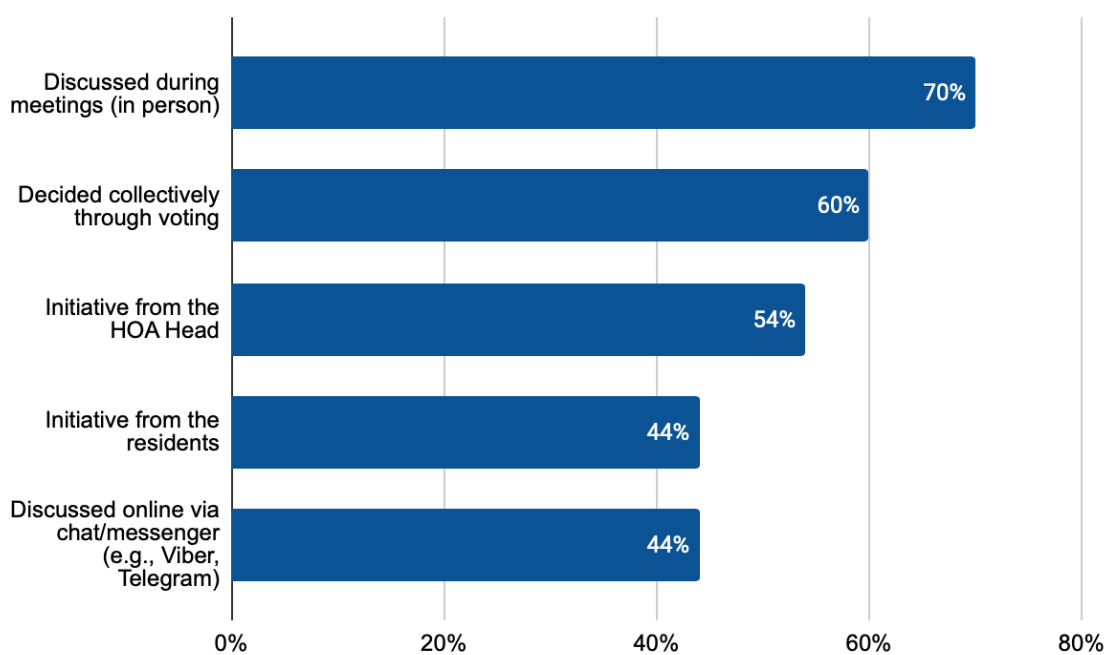
⁵² All interview quotations were originally conducted in Ukrainian and translated into English by the author.

different processes: *“She knows every issue from the legal point of view and the economic one... analyses, and then brings it to general discussion”* (R3).

The importance of the role of the head was also confirmed by the energy-efficiency expert in the Volyn region. According to him, the possibility of implementing changes in the building largely depends precisely on the head: *“The head of the homeowners’ association is the first key person from whom any changes in the building begin”* (E1). The expert emphasised that even in the presence of active residents, the absence of motivation on the part of the head may block modernisation processes: *“If the head is motivated, she will find options... And if the head does not want to, then such a building will not be improved”* (E1).

The quantitative survey data confirm the importance of personalised leadership in the functioning of homeowners’ associations. In particular, 54% of respondents noted that decisions in their homeowners’ association are most often initiated by the head (see Graph 2 created using Microsoft Excel based on responses collected through Google Forms), while 54% believe that it is precisely an active and responsible head who most helps residents reach agreement with each other.

Graph 2. Mechanisms of decision-making



Note: Created by the author using Microsoft Excel based on responses collected through Google Forms during the period from November 2025 to February 2026. N = 50. Respondents could select multiple options.

Source: Author’s own research.

Thus, the results of the research show that the process of collective decision-making in the studied homeowners' associations largely depends on the role and activity of the HOA head.

Emotional labour and the vulnerability of HOA heads

An important theme of the interviews was the emotional labour of heads of homeowners' associations. Almost all respondents described their activity not only as organisational or administrative, but also as psychologically exhausting work. HOA heads spoke about constant emotional tension, the necessity of being available to residents, and working with conflicts and the emotions of other people. As one respondent noted: *"It hurts when people get personal"* (H5). Another quotation demonstrates a feeling of insecurity and exhaustion: *"There is professional burnout, I am unprotected from residents and attacks. This role is resource-consuming"* (H5). Such an experience corresponds to Hochschild's approach to emotional labour. The author believed that workers are forced not only to perform their duties, but also to control their own emotions and work with the emotions of other people during interaction.⁵³

For many heads, building management turned into a form of constant social work that required significant personal involvement. Some respondents emphasised the concentration of responsibility on one person: *"Everything is on the head"* (H3). At the same time, residents often perceived the role of the head as one that presupposes complete availability and continuous fulfilment of duties: *"Our people think that if I receive money, then I must work"* (H3).

Separately, respondents described the necessity of performing the functions of emotional support for residents. One of the heads of a homeowners' association noted: *"For some people you have to work as a free psychologist. I listen to her or him for a whole hour until they finish talking"* (H4). In this case, the activity of the head of the homeowners' association goes beyond administrative functions and includes constant emotional support of residents and work with their feelings.

At the same time, the emotional labour of the head often remained invisible for the majority of residents, although it was precisely this labour that sustained the everyday functioning of the building and interaction between residents. The interviews demonstrate that the accumulation of responsibility and constant emotional pressure often led to exhaustion. Particularly illustrative is the quotation: *"I do not know how many nights I slept and how many I did not sleep... At night I worked on the homeowners' association, and in the morning I went to work"* (H6). It illustrates the blurring of boundaries between personal life, main work, and activity in the homeowners' association. This indicates that emotional labour in the activity

⁵³ A. R. Hochschild, *The managed heart: Commercialization of human feeling* (University of California Press, 1983), 7–8.

of heads of homeowners' associations often goes beyond formal duties and gradually penetrates everyday life.

The emotional vulnerability of heads also became noticeable to residents. One respondent noted: "*The head is very responsible, it came to tears when the roof was flooded*" (R1). This indicates that building-related problems were often perceived by HOA heads not only as technical or organisational difficulties, but also as personal responsibility.

Additionally, the energy-efficiency consultant noted that because of excessive emotional pressure and the novelty of tasks, he often has to become for heads "*A psychologist who will support and relieve them of doubts to begin these steps*" (E1). The implementation of energy modernisation projects requires these leaders to have skills and experience that they often did not previously have. Because of this, they feel the need to "*lean on someone*" (E1) in order to withstand responsibility and pressure from residents.

Quantitative data partially supplement these observations. Although in the interviews, residents rarely directly spoke about the emotional burden of heads of homeowners' associations, in the questionnaire responses, some respondents noted the need for "*Help for the head of the homeowners' association*" and "*Greater respect for the head of the homeowners' association*". This makes it possible to assume that for some co-owners, the overload and emotional vulnerability of HOA heads are nevertheless noticeable.

Thus, the results of the research demonstrate that the functioning of homeowners' associations is supported not only by formal procedures and administrative mechanisms, but also by the significant emotional labour of heads of homeowners' associations. The concentration of workload on one person is often accompanied by emotional exhaustion and professional burnout, which makes emotional vulnerability an important, although not very visible, component of the activity of association heads.

Trust as the main resource of collective decision-making

The theme of trust was frequently mentioned across all groups of respondents. It was precisely trust that proved to be the key condition for support of energy modernisation, financial contributions, and residents' participation in collective decisions. At the same time, in respondents' answers, trust most often had a personalised character and was connected primarily with the figure of the head of the homeowners' association. The obtained results correspond to the approaches of Putnam and Coleman, who considered trust as an important condition of cooperation and effective collective interaction.⁵⁴

⁵⁴ J. S. Coleman, "Social capital in the creation of human capital," *American Journal of Sociology* 94 (1988): S98–S100; R. D. Putnam, "Bowling alone: America's declining social capital," *Journal of Democracy* 6, no. 1 (1995): 67–68.

Heads of homeowners' associations explained the formation of trust primarily through transparency of governance, openness of communication, and fulfilment of promises. One of the heads of homeowners' associations defined the basis of trust as follows: *"Openness, simplicity of communication, accessibility"* (H1). Another head emphasised the necessity of constant reporting to residents: *"I make reports on the use of funds every month"* (H6). She also explained her own approach to maintaining trust: *"Only always fulfil, firstly, the set goals, and secondly, fulfil your promises"* (H6).

Transparency of financial processes played a special role in the formation of trust. One of the heads of homeowners' associations emphasised the importance of the comprehensibility of the movement of funds for residents: *"...here they brought it to the account, from the account they wrote it off, the revision commission checked it... and, in fact, here everything is transparent and understandable"* (H1). In this context, trust acted not only as emotional support for the leadership, but also as a mechanism of legitimisation of managerial decisions and financial contributions of co-owners.

At the same time, trust was formed not only through communication or reporting, but also through the visible result of implemented changes. One of the heads of homeowners' associations noted: *"Plus the result. The result of the work. If a goal is set and you achieve it, and people feel it in their own wallets and quality of life, then it means a lot. People really see the work"* (H2). Another head of a homeowners' association also emphasised the importance of personal reputation and the first successful steps in implementing the programme: *"I assured people that I could do this... And since I lived in the building, people know me, so they trust me... They saw the first steps, because we already in the nearest time started the work. And they saw all this, therefore in the future everything that needed to be done, they supported"* (H2). Such personalised trust corresponds to Bourdieu's approach, which connected social capital with reputation, authority, and social ties.⁵⁵

A high level of personalised trust was also evidenced by residents' responses. Some respondents explained support for modernisation briefly and unambiguously: *"I trust the head"* (R1). Trust in the leadership also manifested itself through residents' willingness to fulfil financial obligations. One of the heads of homeowners' associations noted: *"We had payments of somewhere approximately 40-50 percent... And today we have 99 percent... And I think that the level of payment for building maintenance precisely indicates that there is trust in the head"* (H6).

It is important that in residents' responses, trust in the head of the homeowners' association sounded much more often than trust between the co-owners themselves. One of the residents noted: *"I am not acquainted with all the residents of the building, although I have lived in it for around 40 years"* (R2). This

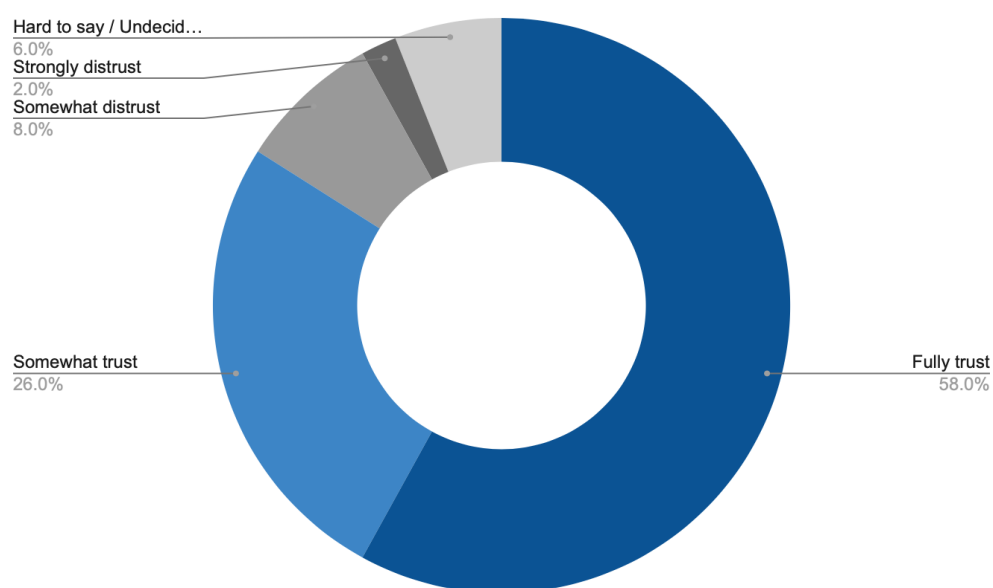
⁵⁵ P. Bourdieu, "The forms of capital," in *Handbook of theory and research for the sociology of education*, ed. J. G. Richardson (Greenwood Press, 1986), 248–249.

indicates that collective decisions in homeowners' associations largely rely on personalised trust in the leadership, rather than on active interaction between residents.

The expert also emphasised the importance of trust as a condition of effective decision-making: *"The factors are trust in the leadership of the building, in the management of the building. If there is a necessary core of authoritative people who support this idea, then people listen to them"* (E1). At the same time, the expert emphasised that the absence of support or authority of the head significantly complicates the mobilisation of residents and the process of decision-making.

The quantitative survey confirms the high level of trust in the leadership of homeowners' associations (see Graph 3 created using Microsoft Excel based on responses collected through Google Forms). Thus, 58% of respondents noted that they "completely trust" the HOA head, while another 26% "rather trust". The total indicator of trust constitutes 84%, which indicates a significant level of legitimacy of the leadership among residents.

Graph 3. Level of trust in the HOA head



Note: Created by the author using Microsoft Excel based on responses collected through Google Forms during the period from November 2025 to February 2026. N = 50.

Source: Author's own research.

Thus, the results of the research show that collective decisions in homeowners' associations are based more on trust in the association head than on mutual trust and solidarity between residents. This indicates the predominance of personalised trust over horizontal ties between residents, which only partially corresponds to Putnam's

approach to social capital. Putnam considered trust primarily as a result of active interaction between people, cooperation, and the participation of community members in collective life.⁵⁶

Communication and participation in collective decision-making

Communication as a mechanism of mobilising co-owners

In all interviews, communication was described as a key mechanism for mobilising co-owners and organising collective decision-making. Decisions regarding participation in the “Energodim” programme did not arise automatically, but were formed through prolonged discussions, explanations, and gradual persuasion of residents. The obtained results correspond to the approaches of Putnam and Coleman, who considered communication, regular interaction, and social ties as an important basis for the formation of trust, cooperation, and people’s ability for collective action.⁵⁷

Heads of homeowners’ associations emphasised the importance of constant personal contact with residents, especially at the initial stages of modernisation. As one respondent noted: *“We simply went to people and explained. If some misunderstanding arose... I additionally called personally... or went to the person’s apartment”* (H6). Another head of a homeowners’ association emphasised: *“I had to explain to people many details that they simply do not understand”* (H2). Thus, communication acted not only as a way of informing, but also as an instrument of gradually involving co-owners in the decision-making process.

An important element of this process was the preliminary preparation of residents for meetings and voting. One respondent noted: *“So that a person comes prepared to the meeting and knows what they are voting for”* (H1). This indicates that decision-making in homeowners’ associations was based not only on formal voting, but also on preliminary explanation and discussion of issues with co-owners.

The interviews show that digital and offline interaction formats were combined in homeowners’ associations. Despite the active use of chats, the majority of respondents considered personal meetings more effective for discussing complex decisions. In particular, residents noted: *“More offline meetings after all. Meetings played a bigger role after all”* (R3), as well as: *“The head of the homeowners’ association constantly gathered us and explained everything”* (R3).

At the same time, digital communication channels became an important instrument of everyday coordination and dissemination of information. Residents described chats as a space for rapid information sharing about building problems,

⁵⁶ R. D. Putnam, “Bowling alone: America’s declining social capital,” *Journal of Democracy* 6, no. 1 (1995): 67–68.

⁵⁷ J. S. Coleman, “Social capital in the creation of human capital,” *American Journal of Sociology* 94 (1988): S98–S100; R. D. Putnam, “Bowling alone: America’s declining social capital,” *Journal of Democracy* 6, no. 1 (1995): 67–68.

current decisions, and board initiatives. One respondent explained: *“Questions that require voting, then we, of course, gather and discuss... But the majority of issues of local significance, then everything is communicated to us as announcements, all this is discussed in the chat”* (R3). Other residents also noted the constant use of chats: *“There is a chat. Every day something is written there”* (R1) and *“I consider the Viber group effective”* (R2).

At the same time, the interviews demonstrate that digital communication also created new difficulties. Respondents drew attention to overload with messages and the chaotic nature of online discussions: *“Often they write off topic, it is necessary to filter, 82 messages per day”* (R1).

A similar problem was also noted by the expert, emphasising the necessity of forming clear rules of communication: *“The quality of communication is important. There must be a properly built communication policy between the head of the homeowners’ association and the co-owners. Certain rules must be prescribed here, because in many buildings the absence of these rules creates a certain chaos”* (E1).

The energy-efficiency expert also emphasised that heads of homeowners’ associations are often forced to independently master communication practices: *“Heads are only still learning this communication... here there is a large field for training these heads”* (E1). This indicates that effective mobilisation of co-owners largely depends on the ability to organise understandable and structured communication.

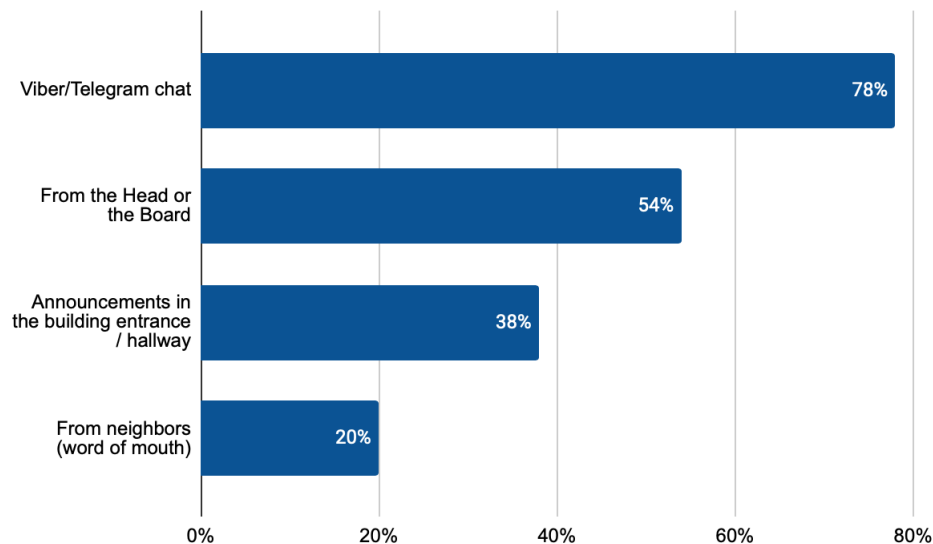
Some respondents described decision-making as a prolonged process of discussions and repeated bringing of issues to meetings. In particular, one resident noted: *“The issue of insulation was raised several times, from the first time they did not reach agreement”* (R1). Other participants also mentioned constant discussions between residents: *“And then for a long time afterwards, when we walk towards each other, meet, disputes occur”* (R3). The expert also drew attention to the complexity of such a process: *“Each person has to be explained the same things 10 times”* (E1).

The qualitative results are also confirmed by the quantitative data of the research. The survey showed that digital platforms became the main channel for rapid information sharing: 78% of respondents learn news about the activity of homeowners’ associations through Viber or Telegram chats. At the same time, digitalisation did not displace personal communication - 54% of respondents noted that they receive information directly from the head of the homeowners’ association or members of the board (see Graph 4 created using Microsoft Excel based on responses collected through Google Forms).

In open-ended responses, respondents also connected effective cooperation primarily with the quality of interaction, transparency, and the involvement of residents in discussions. In particular, survey participants mentioned the need for *“regular communication”, “a greater number of discussions and information in the*

building chat". Some respondents also expressed support for digital instruments of participation, in particular electronic voting.

Graph 4. Main channels of receiving information in homeowners' associations



Note: Created by the author using Microsoft Excel based on responses collected through Google Forms during the period from November 2025 to February 2026. N = 50. Respondents could select multiple options.

Source: Author's own research.

Thus, the results of the research indicate that collective decisions in homeowners' associations are formed not only through formal voting, but primarily through constant communication, discussion, and the process of persuading co-owners. This also corresponds to the logic of Olson's theory of collective action, according to which support for collective decisions requires constant coordination of participants and organisation of collective interaction.⁵⁸

Active minority and inequality of participation

Nearly all respondents spoke about the uneven participation of residents in the life of homeowners' associations. Formally, governance mechanisms are open to all co-owners, but the main organisational work and initiation of decisions are concentrated around a small group of active residents.

Heads of homeowners' associations repeatedly emphasised the limited scale of engaged participation: "*I want to tell you, there are few active people*" (H6) and "2%

⁵⁸ M. Olson, *The logic of collective action: Public goods and the theory of groups*, rev. ed. (Harvard University Press, 1971), 2–3.

of active residents in every building” (H5). One of the heads directly stated: *“I rely only on them”* (H4). Thus, it is precisely the involved minority that becomes the main resource of the functioning of homeowners’ associations and the support for collective decisions. Such a structure of participation corresponds to Olson’s approach, who emphasised that within large groups collective action is sustained by a small number of active participants.⁵⁹

Interview participants described the structure of participation as a division between an active core, a passive majority, and a group of constant critics: *“...there are around ten such people in the building who are very difficult. There is such a middle that it’s yes-yes for them, and there are those who want something”* (H3). As a result, the main responsibility for building governance is concentrated on a small group of core participants, while the majority of residents remain passive.

The active core performs not only an advisory, but also a practical function in building governance: *“There is a core of active residents who can even call... They go and ask: ‘well, when do you clean?’, ‘and how do you work?’. They are interested in this. I think these are active residents”* (H6). It is precisely these people who help organise meetings, support modernisation initiatives, and ensure the minimum level of collective mobilisation. This corresponds to Bourdieu’s approach, according to which social capital and the possibility of influence are unevenly distributed within a group, while the most core participants receive greater opportunities to influence collective processes.⁶⁰

At the same time, residents also recognised the inequality of participation and the gradual exhaustion of activists: *“A passive majority. An active minority, which is already inclining towards a passive state”* (R4). Another respondent emphasised that even a small team of active co-owners is already perceived as a significant resource for the homeowners’ association: *“If at least a team of ten people gathers and is ready to sacrifice their time, then I consider that, in principle, it is a very good building”* (R3).

Quantitative data confirm these tendencies. The majority of respondents (62%) assessed the level of cohesion among residents as “medium - there is an active core, but not everyone is involved”, while only 10% of respondents noted a very high level of interaction between co-owners (see Graph 5 created using Microsoft Excel based on responses collected through Google Forms). This indicates that the governance of homeowners’ associations largely relies on a narrow circle of active participants.

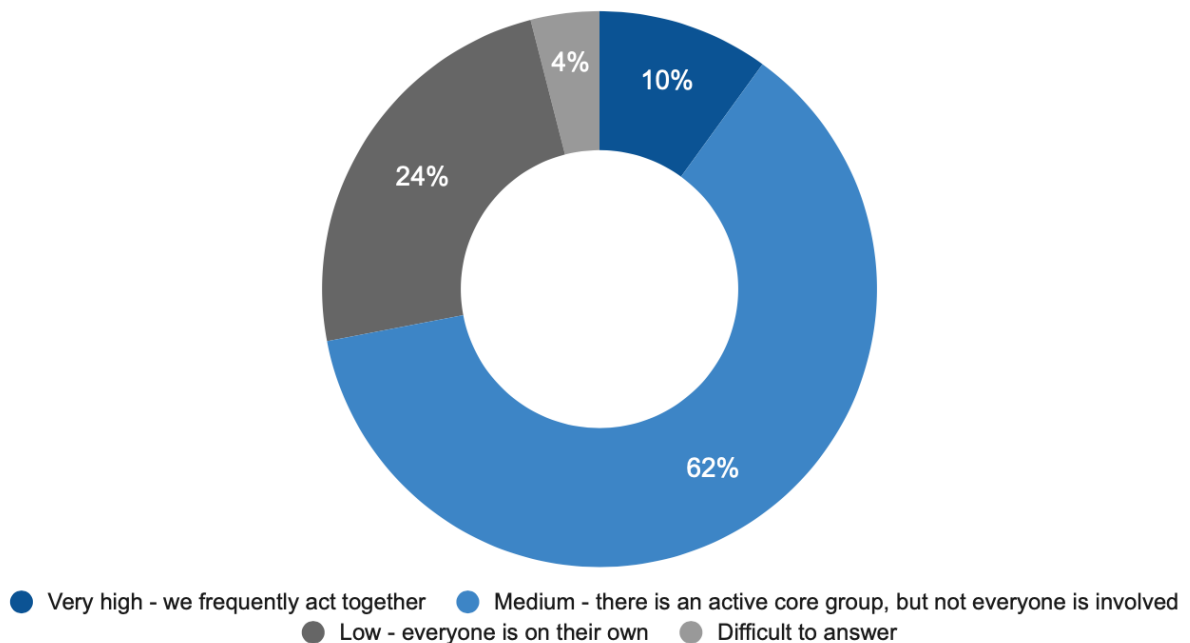
Responses to the open-ended question regarding difficulties of decision-making also demonstrate the problem of unequal participation (Appendix 2). Most often, residents mentioned:

⁵⁹ M. Olson, *The logic of collective action: Public goods and the theory of groups*, rev. ed. (Harvard University Press, 1971), 33–36.

⁶⁰ P. Bourdieu, “The forms of capital,” in *Handbook of theory and research for the sociology of education*, ed. J. G. Richardson (Greenwood Press, 1986), 248–249.

- low attendance at meetings (“few people attend meetings”, “insufficient quorum”);
- the difficulty of involving co-owners in voting (“it is necessary to go door-to-door”);
- lack of interest in collective issues (“for years they have had no desire to change anything”).

Graph 5. Level of cohesion among residents of homeowners’ associations



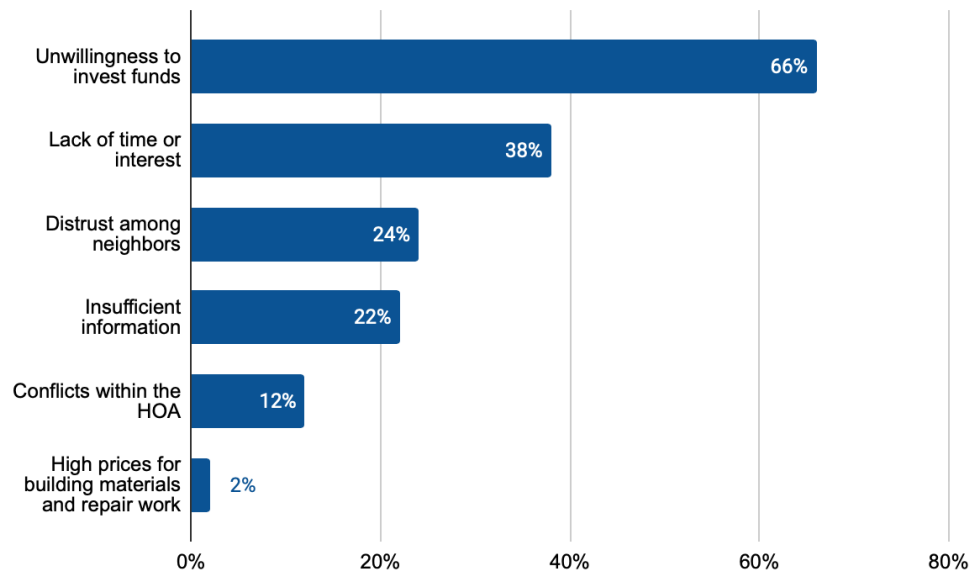
Note: Created by the author using Microsoft Excel based on responses collected through Google Forms during the period from November 2025 to February 2026. N = 50.

Source: Author’s own research.

Respondents also drew attention to the unwillingness of some residents to take financial responsibility for common property. Among the main obstacles to reaching agreements, 66% of respondents named unwillingness to invest money, while 38% named lack of time or interest (see Graph 6 created using Microsoft Excel based on responses collected through Google Forms). One of the residents noted: *“Initiative residents can encourage certain actions, but it is more costly for themselves, because there are always more residents who do not want to do anything and pay for nothing”* (R4). Such a situation corresponds to Hardin’s logic, who emphasised

that participants of a community may avoid the costs of maintaining a common resource and shift responsibility onto other users.⁶¹

Graph 6. What most prevents residents from reaching an agreement



Note: Created by the author using Microsoft Excel based on responses collected through Google Forms during the period from November 2025 to February 2026. N = 50. Respondents could select multiple options.

Source: Author's own research.

These results may also be explained by post-Soviet inertia, which manifests itself in residents' passivity, avoidance of collective responsibility, and unwillingness to participate in collective financial decisions.

The energy-efficiency expert also drew attention to the broader social context of this problem: "*An ideal homeowners' association is where there is a head and a management team*" (E1). This shows that the work of homeowners' associations largely rests on a small group of involved co-owners.

Thus, the results of the research show that formally collective governance is open to all co-owners, but real collective action rests on a small group of active residents.

Conflicts and the limits of collective democracy

The interviews show that conflicts are a regular part of the functioning of homeowners' associations and accompany the process of collective decision-making.

⁶¹ G. Hardin, "The tragedy of the commons," *Science* 162, no. 3859 (1968): 1244–1245.

Some heads of homeowners' associations perceived disputes as an everyday phenomenon. For example, one respondent noted: *"I have a couple of such 'stars' here in quotation marks, for whom everything is constantly wrong or too long"* (H2). Another head also did not consider everyday disputes a critical problem: *"It happens that people quarrel over a parking place. It happens that dogs bark. This interferes with day-to-day management. I do not see big problems in this"* (H1).

Part of the conflicts arose around technical decisions, improvement works, and changes in the building. Thus, one of the heads of homeowners' associations spoke about a conflict with a resident because of noise from the individual heating point (IHP): *"And he shouts that I will smash your IHP. And I will break through this floor", after which she "filed a report with the police"* (H6). In another homeowners' association, a dispute arose because of tree cutting. The head recalled: *"There was such a scandal there that we even called the police. Because there in the yard simply, generally, such things were happening..."* (H3). In these cases, conflicts went beyond ordinary discussion and required external intervention.

Respondents also emphasised that the source of contradictions is often different residents' ideas about the development of the building and acceptable expenditures. One of the residents explained: *"Someone thinks that they do not need a painted facade, insulated, that it is already good enough..., while other people think that this is such an energy-saving building, this is very cool"* (R3). The head of another homeowners' association also noted: *"Someone will shout that they are hot, someone will say that they are cold. Everyone has to be pleased"* (H6). This demonstrates the difficulty of reaching consensus even regarding decisions that are formally aimed at the common good.

The energy-efficiency expert confirmed that changes in the building often cause resistance among residents, especially when financial expenditures or loans are involved: *"People get used to living in discomfort, so any change feels disruptive"* (E1). Thus, conflicts in homeowners' associations are connected not only with interpersonal disputes, but also with different ideas about comfort, responsibility, and priorities of building development.

Some heads of homeowners' associations spoke about the difficulty of interaction with certain residents. One respondent noted: *"I ignore inadequate people"* (H4), while another head of a homeowners' association spoke about residents who *"do not even want to listen"* (H5). At the same time, some residents pointed to the opposite problem - the limitation of the possibility to express disagreement. One respondent noted: *"You are afraid to express your opinion, the board shuts your mouth"* (R6). This indicates the uneven character of participation in collective discussion, where the formal possibility to speak does not always mean real influence on decision-making, which Arnstein emphasised.⁶²

⁶² S. R. Arnstein, "A ladder of citizen participation," *Journal of the American Institute of Planners* 35, no. 4 (1969): 216–217.

One of the residents described homeowners' association meetings as emotional and informal, noting that it was *"Just the usual bickering". No protocols, no signatures*" (R4). He also added that during decision-making, *"they quarrelled a bit, someone gave something sensible, someone just stood there silently"* (R4). This description illustrates the emotionality of the process of collective discussion and the different levels of involvement of participants.

Despite this, the majority of respondents named communication as the main way of resolving disputes. One of the residents directly noted: *"There were no major conflicts, they were resolved through communication"* (R5). Another respondent also emphasised that *"there are conflicts, but there are discussions, of course, because as many people as there are, as many opinions"* (R3). The energy-efficiency consultant noted that he sometimes acts as a mediator in internal tensions of homeowners' associations: *"A situation arises when there is some misunderstanding from residents, while the head, for example, or the board cannot explain it to them"* (E1). This indicates the important role of communication and mediation in maintaining collective interaction.

The analysis of quantitative data also confirms the prevalence of disputes and contradictions in the process of decision-making in homeowners' associations. The largest group of responses to the open-ended question (Appendix 2) was *"different opinions and conflicts"*, in particular situations where *"2-3 groups are formed"*, *"some are for, some are against"*, or *"always dissatisfied with everything"*. This indicates that co-owners have different visions of the development of the homeowners' association, while the process of reaching a collective decision is accompanied by disputes and constant coordination of interests.

Thus, the results of the research show that conflicts are a habitual component of the functioning of homeowners' associations and the process of collective decision-making. Collective governance in homeowners' associations presupposes constant coordination of different interests and views, while its effectiveness largely depends on the ability of residents to maintain communication and reach agreement despite contradictions. Such interaction corresponds to Ostrom's approach, which emphasised that effective collective governance of common resources requires constant communication, mutual coordination, and harmonisation of interests between participants.⁶³

Energy modernisation as a social process of community formation

Energy modernisation as a trigger of collective action

Energy modernisation in the studied homeowners' associations became not only a way of improving the technical condition of the building, but also an important

⁶³ E. Ostrom, *Governing the commons: The evolution of institutions for collective action* (Cambridge University Press, 1990), 90–94.

factor of collective mobilisation of residents. The analysis of interviews shows that it was precisely the need to solve common building problems that often became the reason for the creation of homeowners' associations and participation in the "Energodim" programme.

The head of one homeowners' association explains that the impetus for creating the homeowners' association was the poor condition of the building and the possibility of receiving state support: *"I propose to you that we create a homeowners' association and immediately go into the energy modernisation programme... In principle, we created the homeowners' association in order to improve the condition of our building"* (H6).

A similar motivation is described by another head: *"We wanted the programme immediately, because everything that existed, to use what would come from the state. Our people consciously went for this"* (H2).

For residents, an important stimulus was the concrete building-related problems: cold in apartments, roof leaks, poor condition of pipes, and basements. One resident recalls: *"There was such a moment that we ourselves with the neighbour covered the roof when it was leaking"* (R3). Such situations formed residents' readiness to participate in collective decisions and financing of repairs. As the resident notes: *"Then it is better to attend, to take part in it"* (R3).

Collective action was also supported by the visible results of modernisation. After insulation, residents felt real changes in everyday life. As one of the heads of homeowners' associations notes: *"After the building was insulated, after it became dry and warm, it is such great satisfaction"* (H6). Residents also connected modernisation with the improvement of quality of life: *"The external appearance of the building, renovation - this is very good"* (R2).

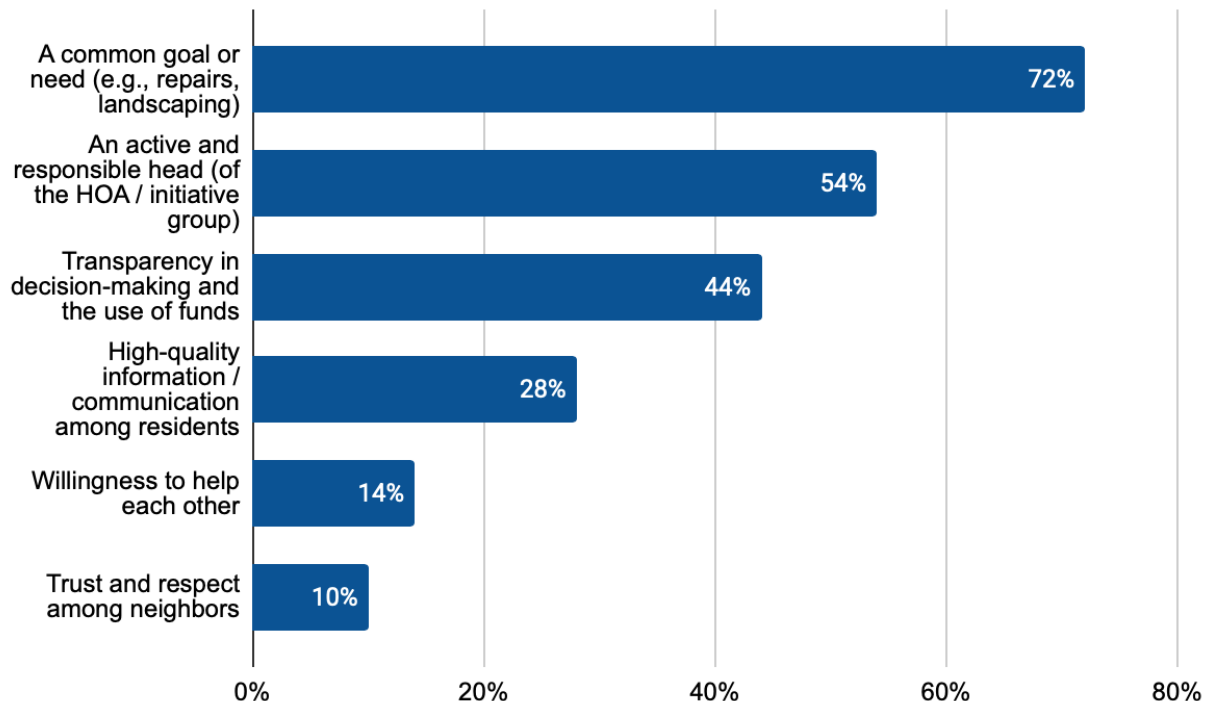
The consultant also emphasised that the implementation of energy modernisation measures creates a feeling of collective success: *"Satisfaction comes from seeing how projects are implemented... difficulties are forgotten, but the result remains"* (E1).

Quantitative data confirm that energy modernisation is an important factor of collective interaction in homeowners' associations. Thus, 72% of respondents noted that it is precisely a "common goal or need" that helps residents reach agreement with each other (see Graph 7 created using Microsoft Excel based on responses collected through Google Forms). Also, 72% of respondents participated in collective initiatives or changes in the building. This indicates that energy modernisation became not only a technical process, but also a practice of collective mobilisation of residents.

Thus, energy modernisation became for homeowners' associations not only a technical project, but also a mechanism of uniting residents around a common goal and forming an experience of collective decision-making. The findings align with Putnam's approach, which considered collective activity and interaction between

community members as the basis for the formation of trust, cooperation, and social ties.⁶⁴

Graph 7. What most helps residents reach an agreement



Note: Created by the author using Microsoft Excel based on responses collected through Google Forms during the period from November 2025 to February 2026. N = 50. Respondents could select multiple options.

Source: Author's own research.

Collective responsibility and micro-community formation

The analysis of interviews shows that participation in the processes of energy modernisation contributes to the formation among residents of a feeling of collective responsibility for the building and the surrounding territory. For many respondents, the building ceases to be only a place of residence and begins to be perceived as a collective space for which co-owners bear responsibility.

This is especially manifested in residents' attitudes towards participation in building governance. One of the residents explains her activity as follows: "...because this is my partial ownership in the building. ... I understand that no one will decide anything for me" (R3). Another respondent emphasises: "I wanted there to be a nice building and I am not indifferent to the fate of the building" (R1). Such statements

⁶⁴ R. D. Putnam, "Bowling alone: America's declining social capital," *Journal of Democracy* 6, no. 1 (1995): 67–68.

demonstrate the transition from passive use of housing to awareness of themselves as co-responsible for its condition. This corresponds to Putnam's approach, which connected active participation in community life with the formation of trust, responsibility, and cohesion between people.⁶⁵

The feeling of responsibility is also connected with the desire to improve one's own living conditions. One of the residents notes: *"I am interested because I believe that we deserve better living conditions, and for this something has to be done"* (R3) and positively evaluates the idea of co-financing modernisation: *"In order to improve your life, you have to invest yourself"* (R3).

Gradually, the modernised building begins to be perceived by residents as a collective result and a subject of pride. One of the heads of homeowners' associations noted: *"People look at our building and admire it"* (H6).

Heads of homeowners' associations also explain their activity through personal interest in the condition of the building and living conditions: *"There is also a big lever in the fact that this is my building, I live here"* (H6). This indicates that the building is perceived not only as a place of residence but as a collective space for which residents feel personal responsibility.

The respondents' answers also demonstrate the formation of a feeling of belonging to the community and emotional attachment to the building.

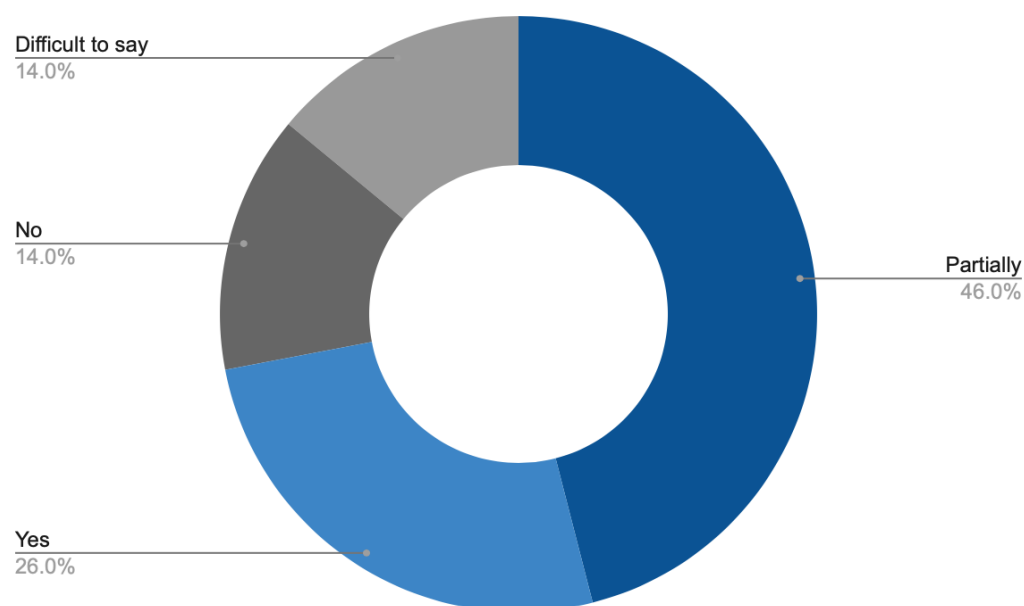
In the responses of the quantitative survey, respondents emphasised that *"energy modernisation is an investment in the future, not just a repair"*, while the comprehensiveness of the measures *"gives real savings, comfort in apartments, and increases the value of the building as a whole"*.

The quantitative results also demonstrate a tendency towards the formation of local cohesion. Thus, 46% of respondents noted that collective initiatives partially help residents become more cohesive, while another 26% believe that such initiatives really unite co-owners (see Graph 8 created using Microsoft Excel based on responses collected through Google Forms). This indicates that collective initiatives contribute to strengthening interaction and cohesion between residents.

Thus, energy modernisation influences not only the condition of the building, but also the residents themselves. Collective participation in changes helps people feel greater responsibility for the building and the surrounding territory, and also strengthens interaction between co-owners. The building begins to be perceived not only as a place of residence, but also as a collective space and the result of collective efforts. In some cases, the experience of implementing energy modernisation became the basis for further initiatives. In particular, one of the heads of homeowners' associations noted that after the completion of modernisation, residents supported the installation of solar panels. At the same time, some respondents emphasised that after the implementation of a large-scale project, residents needed time to "rest" from active participation.

⁶⁵ Ibid.

Graph 8. Influence of collective initiatives on the cohesion of residents



Note: Created by the author using Microsoft Excel based on responses collected through Google Forms during the period from November 2025 to February 2026. N = 50.

Source: Author's own research.

The results of the research show that the homeowners' association in the surveyed buildings gradually begins to perform not only a governance function, but also the role of a local micro-community. The homeowners' association has its own rules and procedures, statutes, head, board, and a system of collective decision-making.

An important role in the formation of such a micro-community was played by the participation of homeowners' associations in energy modernisation projects. The implementation of collective measures requires constant interaction from residents, collective decision-making, discussion of financial issues, and collective responsibility for the result. In the process of modernisation, residents began to interact more with each other, discuss building problems, and collectively seek solutions.

The energy-efficiency expert also emphasised that the success of collective decisions largely depends on the level of residents' cohesion: *"If the building is a micro-community, then it works"* (E1). According to his observations, in buildings where residents perceive themselves as a community, people reach agreement more quickly, support one another, and pass through difficult modernisation processes more easily: *"That is, if this building is already more cohesive, ... they have learned*

there to help one another, then such decisions pass more quickly. If the building is just a set of residents, not a community, not a micro-community, then it is more difficult” (E1).

The features of homeowners’ associations as a micro-community became especially clearly manifested during the war. During this period, buildings became a space of mutual assistance and support. One of the heads of homeowners’ associations recalls that during the first months of the war, residents gathered together in the basement of the building (previously renovated thanks to participation in the energy modernisation programme), while the building chat was used for coordinating assistance. According to her: *“When we are together, it is easier for people”* (H6).

Thus, the homeowners’ association in the studied buildings acts not only as a formal governance structure, but also as a local community within which practices of mutual assistance, solidarity, and collective responsibility are formed. This corresponds to Putnam’s approach, which connected the development of local communities with the formation of horizontal ties, trust, and practices of cooperation between participants.⁶⁶

⁶⁶ R. D. Putnam, “Bowling alone: America’s declining social capital,” *Journal of Democracy* 6, no. 1 (1995): 66–68.

CONCLUSIONS

The conducted research showed that collective decision-making in homeowners' associations is significantly **more complex** than the formal governance procedures established by legislation. The development of homeowners' associations in Ukraine took place within the broader context of post-socialist housing reform and the gradual transfer of responsibility to co-owners. An important role in this process was also played by the emergence of energy modernisation programmes such as "Energodim". The study demonstrated that the implementation of energy modernisation projects depends not only on financial and institutional support. It also depends on **social mechanisms of interaction between co-owners, including trust, communication, leadership, and collective coordination.**

The empirical research showed that the **head of the homeowners' association plays a key role** in the processes of collective decision-making. The HOA head most often acts as the initiator of changes, coordinator of collective actions, and organiser of interaction between residents. An important condition for support of collective decisions proved to be the personalised trust of building residents in the head of the homeowners' association. It is formed through transparency of governance, open communication, fulfilment of promises, and visible results of work. At the same time, the concentration of responsibility and organisational workload on one person is accompanied by significant emotional labour, constant psychological tension, and the risk of professional burnout among heads of homeowners' associations.

Communication proved to be a key mechanism for mobilising co-owners and supporting collective decisions in homeowners' associations. It combined digital and offline formats of interaction. Decisions regarding the energy modernisation of the building were formed not only through voting, but also through prolonged discussions, explanations, and persuasion of co-owners. Formally, participation in building governance is open to all residents. In practice, collective action largely rests on a small group of active co-owners, while the majority remains passive. Conflicts are also a regular component of the functioning of homeowners' associations. They arise because of different residents' ideas about building development, financial expenditures, and collective responsibility. Despite contradictions, communication and constant coordination of interests remain the basis of collective governance.

An important result of the research was that **energy modernisation in the studied homeowners' associations** is not only a technical process, but also a **factor of collective mobilisation and formation of a local community.** Common building problems and the need to solve them stimulated residents to participate in governance, financing of modernisation, and collective decision-making. Participation in such initiatives contributed to the formation of a feeling of

co-responsibility for the building and the surrounding territory, as well as to strengthening interaction and cohesion between residents. In part of the surveyed homeowners' associations, the building gradually begins to be perceived not only as a place of residence, but as a collective space and the result of collective efforts. At the same time, the homeowners' association acquires the features of a local micro-community, within which practices of mutual assistance, solidarity, and cooperation are formed.

Thus, the conducted research made it possible to **answer the posed analytical question**. The success of renovations within the "Energodim" programme in the city of Lutsk depends not only on the financial or organisational capabilities of homeowners' associations, but also on the specificity of social mechanisms of interaction within the community. The results of the analysis indicate that those associations with an authoritative and responsible head capable of coordinating collective actions and maintaining a high level of trust succeed more effectively in implementing thermal modernisation measures. Equally important is the presence of an initiative core of co-owners that directly supports the decision-making process. At the same time, constant communication between residents, the ability to reach agreement, and timely conflict resolution are key conditions for the viability of collective governance. A separate factor supporting these processes is the significant amount of emotional labour performed by the heads of associations, who are forced to take on substantial organisational and psychological workloads.

The obtained results generally confirm the **main and auxiliary assumptions** of the research. Collective decision-making in homeowners' associations proved to be not only a formal procedure, but primarily a social process in which trust, communication, leadership, and residents' readiness for cooperation play an important role. At the same time, the results of the analysis made it possible to clarify certain assumptions. In particular, in the studied homeowners' associations, the key role is played by trust in the head of the association, while mutual trust between co-owners proved to be less pronounced. The results also showed that conflicts and disputes are an integral component of the functioning of homeowners' associations, especially in the process of energy modernisation. At the same time, the decisive factor is not the absence of conflicts, but their timely resolution.

The findings contribute to broader **discussions** on collective governance and social capital in post-socialist housing contexts. The study shows that the success of energy modernisation depends not only on formal institutions or financial resources, but also on trust, communication, and local leadership. An important **contribution** of the research is the analysis of the emotional labour of HOA heads and the role of energy modernisation in strengthening local cohesion and self-organisation. The findings also suggest that homeowners' associations may function as local micro-communities with significance for postwar urban recovery.

The conducted research has **certain limitations**. It covers only homeowners' associations in the city of Lutsk and predominantly those associations that had already participated in the "Energodim" programme. Because of this, the obtained results cannot be fully generalised to all homeowners' associations in Ukraine. In addition, the research sample does not include homeowners' associations that refused participation in modernisation programmes or stopped the implementation of projects. At the same time, the selected qualitative research design made it possible to analyse more deeply the mechanisms of interaction between co-owners and trace the logic of collective decision-making within specific housing communities.

Promising **directions for further research** may include comparison of homeowners' associations in different regions of Ukraine, analysis of unsuccessful cases of energy modernisation implementation, study of the long-term influence of collective projects on local cohesion, as well as research into the role of homeowners' associations in the processes of post-war reconstruction and development of local self-government.

RECOMMENDATIONS

The results of the study make it possible to formulate several practical **recommendations for state institutions, local governments, the Energy Efficiency Fund, and HOAs themselves.** The findings show that the success of energy modernisation depends not only on technical solutions or financial support. It also depends on social mechanisms of interaction between co-owners, levels of trust, quality of communication, and residents' ability to self-organise.

For the **Ministry for Communities and Territories Development of Ukraine and the Energy Efficiency Fund**, it is important to recognise that energy modernisation is not only a technical but also **a social process.** Existing support programmes for HOAs already include informational and consultative components. However, the results of this research show **the need to strengthen the social and communication aspects of support.** In particular, the success of modernisation projects largely depends on active leadership, trust between co-owners, and effective internal communication within HOAs. Therefore, it is important to further **develop training programmes for HOA heads in the areas of collective decision-making facilitation, conflict management, communication with residents, and public communication.** It is also important to support platforms for **experience-sharing between HOAs and to promote successful modernisation practices.** The interviews showed that examples from neighbouring buildings often encouraged residents to support energy modernisation projects. In some cases, residents themselves approached HOA heads with initiatives after seeing successful renovations in nearby buildings.

For **local governments**, it is important to recognise that the success of energy modernisation depends not only on technical or financial support, but also on residents' ability to cooperate and make collective decisions. The study shows that many HOAs face low participation, weak communication, and passive attitudes toward shared property. In many cases, responsibilities are concentrated on a small group of active residents or HOA heads. These difficulties are especially **visible in less active or less experienced HOAs** that may lack organisational capacity and previous experience of collective governance.

These challenges may indicate the importance of more **proactive local support** for such buildings. The study suggests that some HOAs may lack the initiative, confidence, or organisational capacity needed for collective action and participation in modernisation programmes. In this context, local governments could encourage **more outreach-oriented approaches**, where consultants and municipal initiatives engage directly with residents and organise meetings in apartment buildings. Such practices may help reduce uncertainty, strengthen communication, and encourage broader resident participation in collective governance processes.

For **HOAs and HOA heads**, the study highlights the importance of **regular communication and transparency in collective governance**. The findings show that trust between residents and HOA leadership is strongly connected to open communication, visible reporting, and clear explanations of decisions and financial processes. In this context, **regular communication through meetings, chats, announcements, and updates about building management and modernisation projects may help strengthen trust and resident participation**.

The study also suggests that collective governance becomes more sustainable when **responsibilities are shared among a broader group of residents**. Many interviewed HOA heads described emotional exhaustion and the concentration of organisational work on one person. The findings therefore indicate the **importance of wider resident participation**, the development of an active core of co-owners, and broader involvement of residents in everyday decision-making processes. Building chats may serve not only as communication tools, but also as instruments of mobilisation and coordination. At the same time, visible results of improvements and modernisation projects may strengthen trust and motivate residents to participate in future collective initiatives.

For **postwar reconstruction programmes**, it is important to recognise HOAs not only as housing management structures, but also as **local micro-communities and potential local partners** in recovery processes. The study shows that collective decision-making, trust, and everyday cooperation within apartment buildings create important forms of **local social capital**. These resources may become especially important during postwar reconstruction, when communities face the challenges of rebuilding housing, restoring local infrastructure, and integrating displaced residents.

Therefore, reconstruction policies could involve HOAs more actively in **local recovery processes and community-level decision-making**. In practice, this may include involving HOAs in discussions about neighbourhood reconstruction, public spaces, local infrastructure, and the integration of displaced residents into local communities. HOAs may also serve as local communication networks that help organise residents, distribute information, coordinate mutual aid, and communicate the needs of residents and buildings. The findings suggest that social capital, trust, and existing cooperation between residents can become important local resources during postwar recovery and urban reconstruction.

Overall, the findings suggest that the effectiveness of housing modernisation and postwar recovery depends not only on financial resources but also on the capacity of local communities to cooperate, self-organise, and sustain collective governance practices.

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APPENDICES

Appendix 1

Table 1. Thematic categories of residents' responses on improving cooperation in the HOA		
Category	Original residents' phrases	Frequency
Skepticism and stagnation	"Probably, we cannot be changed!"; "You do it for me, and I will not pay"; "Nothing, the head does everything required by the statute"; "Everything is fine in our cooperation"; "An urgent necessity to change something in the building"; "I don't know"; "Difficult to answer"; "Nothing"; "Everything is fine".	17
Unity and common goal	"A common goal"; "Collective work"; "A defined goal"; "Some common project in whose implementation everyone would be involved"; "Common understanding"; "Planning improvements with one positive voice".	6
Communication and chats	"More discussions and information in the building chat"; "Involving all representatives of every apartment in the group without exception"; "Attend meetings more often"; "More time for communication"; "Regular communication".	5
Transparency and finances	"Increasing transparency in the accumulation and spending of funds"; "Greater transparency in mechanisms of accumulation and spending of funds"; "Transparent decisions"; "Transparency"; "More state financing programmes that have already been tested".	5
Change of mindset	"Changing the mentality of co-owners"; "Reconsideration of one's views"; "Not relying on someone else to do something"; "Looking soberly at prices/situation"; "Residents' own desire to take care of their building".	5
Relations and trust	"More trust in one another"; "Mutual understanding"; "Trust, mutual understanding, respect, conscience, and human solidarity"; "Respect and the ability to listen to opponents are needed"; "Cohesion".	5
Action and responsibility	"Responsibility for systematic non-payment to the repair fund and building maintenance"; "Giving everyone an opportunity to show initiative"; "Readiness to help others"; "Constant effort achieves results"; "By small steps".	5
Governance (head of HOA)	"Changing the head"; "Changing the board! To educated, active, non-conflict people!"; "Greater initiative from the head"; "Deeper involvement of every resident in the essence of the problem".	4

External factors	“Peaceful times, financial sufficiency”; “Higher financial income of building residents”; “Employment for pensioners”.	3
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Note: Data were collected between November 2025 and February 2026.

Source: Author’s own research.

Appendix 2

Table 2. Thematic categories of residents' responses on difficulties in HOA decision-making		
Category	Original residents' phrases	Frequency
Different opinions and conflicts	"Lack of cohesion, everyone for themselves"; "There is always someone against everything"; "There are residents who are always dissatisfied with everything"; "Different opinions of residents"; "Very often it happens that 2–3 groups are formed, and as a result it is difficult to make a decision"; "Differences in opinions and views of building residents"; "All residents have different opinions. Especially elderly people"; "There are residents for whom everything is wrong"; "Not everyone agrees"; "There is no unanimity, some are for, some are against"; "Differences in views, especially regarding financial issues".	11
Skepticism and passivity	"Some residents who have lived here for a long time have had no desire to change anything for the better for years"; "None, in my opinion"; "Usually absent"; "There were none"; "None" (2); "There are none" (3); "Difficult people".	10
Low participation and lack of communication	"Not all residents are present at meetings, additionally it is necessary to go apartment by apartment"; "Most people do not attend general meetings and do not participate in building management"; "Insufficient quorum"; "It is difficult to find people"; "The main difficulty is motivating people to join the decision-making process"; "Few people attend meetings"; "Few people at meetings".	7
Financial barriers	"Financial issues"; "Everything comes down to money"; "A large difference in residents' solvency"; "Residents' unwillingness to bear expenses"; "Those related to finances"; "If it concerns a financial issue, negative decisions immediately arise"; "Low solvency of some residents".	7
Other/isolated difficulties	"Long discussions before decision-making"; "All decisions are made according to residents' voting"; "Everything by agreement"; "Collection of funds"; "Snow cleaning".	5
Dissatisfaction with the work of the head/board	"The head of the HOA is inadequate"; "The opinion of the majority of residents is not taken into account"; "The head of the HOA will persuade and conduct explanatory work in two cases: 1) when failure to adopt the decision will lead to problems with Lutsk City Council; 2) economic benefit for the head herself"; "Mismatch between the wishes of owners and the head".	4
Misunderstanding and lack of information	"Not everyone understands the importance of the issue and, accordingly, not everyone agrees"; "Misunderstanding of some residents"; "Lack of information understandable for residents of different age categories and education levels"; "Misunderstanding of the importance of programmes".	4

Distrust and tense relations	“Certain residents who always seek negativity and trust no one”; “It is difficult for pensioners to compromise”; “Collection of negative information about the individual heating point”.	3
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Note: Data were collected between November 2025 and February 2026.
Source: Author’s own research.

Appendix 3

Semi-structured interview guide for an energy efficiency consultant

Introduction

Hello! My name is Valentyna Holovan, and I am a student at the Kyiv School of Economics.

This research focuses on the processes of collective decision-making within homeowners' associations (HOAs), particularly during participation in energy modernisation programmes such as "Energodim".

Your expertise is especially valuable for this study because your role combines technical implementation and communication with residents.

The purpose of the interview is to understand your observations regarding the dynamics of HOAs, the main barriers to energy modernisation, and effective strategies for persuading residents to support collective decisions.

Participation in the interview is voluntary and anonymous. The information obtained will be used exclusively for academic purposes.

Estimated duration: 40-50 minutes.

Background and professional experience

- 1) How long have you been working as an energy efficiency consultant for HOAs?
- 2) Approximately how many buildings/HOAs have you worked with?
- 3) Which energy efficiency measures do you most often help implement? (Thermal modernisation, individual heating points, etc.)
- 4) How would you describe your primary role in working with HOAs: expert, facilitator, negotiator, project manager?
- 5) What is the biggest challenge/satisfaction in this work for you?

Cooperation with HOAs

- 6) How does your cooperation with an HOA usually begin?
- 7) Who is usually the initiator (the head of the HOA, active residents, an external programme)?
- 8) What do you most often identify during energy audits in the buildings you work with?
- 9) How do you present complex technical information and financial calculations (payback period, savings) to residents who are not specialists?
- 10) What technical or construction-related problems most often arise during project implementation in Lutsk/your region?
- 11) In your opinion, what does an "ideal HOA" for implementing energy efficiency projects look like?
- 12) What are its key characteristics?

- 13) What role does the head of the HOA play in your work?
- 14) How would you assess his/her influence on the success of the project (strong leader, mediator, manager)?

Residents' resistance and communication

- 15) What are the most common arguments against energy modernisation that you hear from residents? (For example: "it is too expensive", "I am satisfied as it is", "I do not trust loans").
- 16) Which arguments and strategies are the most effective in persuading sceptical residents? (For example: demonstrating neighbours' experience, financial calculations, focusing on comfort rather than money).
- 17) How difficult is it for HOAs to obtain the required percentage of votes for decision-making?
- 18) Which factors accelerate this process?
- 19) Have you ever had to act as a mediator in internal HOA conflicts?
- 20) Could you describe the most vivid example?
- 21) Have you noticed whether resistance usually comes from particular groups of residents (for example, older residents, tenants, owners who do not live in the building)?
- 22) How important is residents' trust in you as an external consultant?
- 23) How do you build this trust?
- 24) How would you evaluate the quality of communication within HOAs (chats, meetings)?
- 25) Do you use building chats to promote your solutions?

Challenges of the "Energodim" programme

- 26) Challenges of the "Energodim" Programme and Recommendations (5 min)
- 27) What are the biggest difficulties related specifically to the mechanics of the "Energodim" programme (documents, deadlines, requirements)?
- 28) Are there problems with finding partner banks/financial resources for HOAs?
- 29) What are your main recommendations for an HOA head who is only beginning the process of energy modernisation?
- 30) What are your main recommendations for improving mechanisms of support for HOAs at the state or municipal level?
- 31) Is there anything that I have missed or anything else you would like to add regarding your experience?

Final reflections

- 32) Thank you very much for your time and valuable insights!

Appendix 4

Semi-structured interview guide for residents of homeowners' associations (HOAs)

Introduction

Hello! My name is Valentyna Holovan, and I am a student at the Kyiv School of Economics.

This research focuses on collective decision-making processes within homeowners' associations (HOAs), particularly in the context of participation in energy modernisation programmes such as "Energodim".

The purpose of the interview is to better understand how residents interact, negotiate, and make collective decisions regarding the management and development of their building.

Participation in the interview is voluntary and anonymous. The information obtained will be used exclusively for academic purposes.

Estimated duration: 40-60 minutes.

Background information

- 1) Please tell me a little about yourself and your family.
- 2) How old are you?
- 3) What do you do?
- 4) How long have you been living in this building?

Communication and participation in the HOA

- 5) Does your building have a shared chat?
- 6) What is it most often used for?
- 7) What is usually discussed online, and what is discussed during meetings?
- 8) For what issues are residents' meetings usually convened?
- 9) Do you participate in such meetings?
- 10) If yes, how often?
- 11) What motivates you to participate or ignore such events?
- 12) Which issues concerning the building have worried you the most recently? Why?

Decision-making and meetings

- 13) How do residents' meetings usually take place - in a more formal format (with an agenda and voting) or rather in an informal, "home-like" atmosphere?
- 14) How did residents in your building most recently make a collective decision? Please describe how it happened.

- 15) How do residents express their opinions during meetings?
- 16) Can all residents be heard? Why or why not?
- 17) What role does the head of the HOA or informal leaders play?
- 18) Have there been cases when your opinion was ignored? Please describe in more detail.
- 19) Do conflicts arise in chats or during meetings?
- 20) What are they usually about?
- 21) How are they resolved?

Perceptions of the HOA and leadership

- 22) How would you describe the residents of your building?
- 23) Do you know who the head or board members of the HOA are?
- 24) Are you generally interested in building governance? Why?
- 25) Please describe the head of your HOA. What kind of person is he/she?

Energy modernisation and the “Energodim” programme

- 26) What do you know about energy modernisation?
- 27) Have any energy-saving measures been implemented in your building?
If yes, which ones?
- 28) Do you think your building needs energy modernisation? Why?
- 29) How do you feel about the idea of residents collectively financing energy modernisation?
- 30) Have you heard about the “Energodim” programme?
- 31) Was participation in the “Energodim” programme discussed in your HOA?
- 32) What role did the building chat play during the implementation of energy efficiency measures?

Reflections on the HOA

- 33) How would you describe the ideal functioning of an HOA?
- 34) In your opinion, what prevents the situation from improving?

Appendix 5

Semi-structured interview guide for the head of the HOA

Introduction

Hello! My name is Valentyna Holovan, and I am a student at the Kyiv School of Economics.

This research focuses on the processes of collective decision-making within homeowners' associations (HOAs), particularly during participation in energy modernisation programmes such as "Energodim".

The purpose of the interview is to better understand how decision-making processes are organised within HOAs, the role of HOA leadership, and the main challenges related to communication, participation, and cooperation among residents.

Participation in the interview is voluntary and anonymous. The information obtained will be used exclusively for academic purposes.

Estimated duration: 40-60 minutes.

Background and role in the HOA

- 1) How old are you?
- 2) How did you become the head/member of the HOA board?
- 3) How many years have you been performing this role?
- 4) What does your team look like?
- 5) Who helps you?

Decision-making and resident participation

- 6) How do you organise the decision-making process in the building?
- 7) Which issues are usually discussed online (in chats, messengers, etc.), and which during offline meetings?
- 8) Which decisions are made easily, and which with difficulty?
- 9) Does this differ between online discussions and offline meetings?
- 10) Do you have a strategy for involving residents in decision-making?
- 11) How do you implement it during meetings and in online chats?
- 12) Are there cases when decisions are made independently by the management?

Residents, conflicts, and communication

- 13) How would you describe the residents of your building?
- 14) Do you have a "core" of active participants? Who are they?
- 15) How do you deal with passivity or resistance?
- 16) What kinds of conflicts have you faced?
- 17) How were they resolved?

- 18) Does it happen that decisions become blocked? Why?
- 19) Are there other “influential residents” whose opinions you have to consider?
- 20) How is communication with residents organised? (Meetings, chats, announcements?)
- 21) What works best?
- 22) What creates difficulties?
- 23) Have you tried new methods such as online voting or surveys?

Trust and governance

- 24) How would you assess the level of residents’ trust in the board?
- 25) Do you see changes in trust over time?
- 26) What helps to build trust?
- 27) What destroys it?
- 28) What would you change in the approach to governance?

Final reflections

- 29) What is your main advice for the head of another HOA?

Appendix 6

Questionnaire for the quantitative survey of residents of homeowners' associations in Lutsk

Introduction

Hello! My name is Valentyna Holovan, and I am a student at the Kyiv School of Economics.

This research focuses on collective decision-making processes within homeowners' associations (HOAs), particularly in the context of participation in energy modernisation programmes such as "Energodim".

The purpose of the survey is to better understand how residents interact, negotiate, and make collective decisions regarding the management and development of their building.

Participation in the survey is voluntary and anonymous. The information obtained will be used exclusively for academic purposes.

Estimated duration: 8-12 minutes.

Socio-demographic information

- 1) Your age (required)
 - Under 25
 - 26-40
 - 41-60
 - 60+
- 2) Your gender (required)
 - Female
 - Male
 - Other / prefer not to say
- 3) Do you have children?
 - Yes
 - No
- 4) Name of your HOA (single-choice question)
 - HOA "Mriia-Lutsk"
 - Other (please specify):
- 5) Your status in this building
 - Apartment owner
 - Tenant
 - Head of the HOA
 - Member of the board
 - Other:
- 6) How long have you lived in this building?

- Less than 1 year
- 1-5 years
- 6-10 years
- More than 10 years

Communication and participation in the HOA

- 7) How do you learn about HOA news? (multiple answers possible)
- Viber/Telegram chat
 - Announcements in the entrance
 - From neighbours
 - From the head or board
 - Other:
- 8) Do you know about the “Energodim” energy modernisation programme?
- Yes, I am well informed
 - I have heard something about it, but do not know the details
 - No, I do not know about it
- 9) Was participation in the “Energodim” programme discussed in your HOA?
- Yes, repeatedly offline (during meetings)
 - Yes, repeatedly online (in chats/messengers)
 - Yes, repeatedly both offline and online
 - Yes, once offline
 - Yes, once online
 - No, it was not discussed
 - I do not know
- 10) If it was discussed - how would you describe such a meeting? (optional)
- 11) How are decisions usually made in your HOA? (one or several options may be selected)
- Initiative from the head of the HOA
 - Initiative from residents
 - Discussed during meetings
 - Discussed online in chats/messengers
 - Decisions are made collectively through voting
 - Other method:
- 12) What difficulties most often arise during decision-making in your HOA? (describe your own experience)
- 13) How much do you trust the head of your HOA?
- Completely trust
 - Rather trust

- Rather do not trust
 - Do not trust at all
 - Difficult to say
- 14) How would you assess the level of cohesion among residents?
- Very high - we often act together
 - Medium - there is an active core, but not everyone is involved
 - Low –
 - everyone is for themselves
 - Difficult to answer
- 15) Have you participated in any initiatives or changes (repairs, community clean-ups, programmes)?
- Yes
 - No
 - I do not remember

Decision-making and cooperation within the HOA

- 16) Do you feel that residents of the building become more united thanks to common initiatives (repairs, safety)?
- Yes
 - Partially
 - No
 - Difficult to say
- 17) In your opinion, who influences decisions in the HOA the most?
- The head of the HOA
 - The board
 - Active residents
 - Everyone together, collectively
 - Difficult to answer
- 18) In your opinion, what most prevents residents from reaching agreement in the building? (up to 2 options may be selected)
- Distrust between neighbours
 - Lack of time or interest
 - Unwillingness to contribute money
 - Conflicts within the HOA
 - Insufficient information
 - Other:
- 19) In your opinion, what most helps residents reach agreement with each other? (up to 2 options may be selected)
- Trust and respect between neighbours
 - An active and responsible head (of the HOA / initiative group)

- A common goal or need (for example, repair or improvement)
- Transparency in decision-making and use of funds
- Availability of quality information / communication between residents
- Willingness to help one another
- Other:

20) In your opinion, what could improve cooperation among residents in your HOA? (open-ended question)

21) If you could change something in your HOA or in the decision-making process, what would it be? (short open-ended question)

Energy modernisation and the “Energodim” programme

22) What do you know about the energy modernisation of buildings?

23) Have any energy-saving measures been implemented in your building?

- Yes
- No
- I do not know

If “yes”, please specify (multiple answers possible):

- Insulation of the facade or roof
- Replacement of windows/doors in entrances
- Installation of heat or water meters
- Modernisation of the heating system
- Lighting with energy-saving lamps
- Other (please specify)

24) Do you think your building needs energy modernisation?

- Yes, definitely needs it
- Rather yes, there are certain problems
- Difficult to say
- Rather no, the condition is satisfactory
- No, it does not need it
- If yes, why?

25) How do you feel about the idea of your HOA participating in the “Energodim” programme?

- Fully support
- Rather support
- Rather do not support
- Do not support
- Difficult to say

25.1. If you selected “Difficult to say”, please explain your answer.

26) Are you ready to participate (with time, money, or organisationally) in energy modernisation projects?

- Yes, I am ready
- Maybe, depending on the conditions
- No

Optional follow-up contact

27) Your experience and story about your building are very valuable to me. If you have a few more minutes, I would be happy to speak with you in more detail online or by phone. I would appreciate it if you leave your contact information:

- Email:
- Phone: