

Module № 1. "Fundamentals of social responsibility".

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1.1. Scientific approaches to defining the essence of social responsibility. Evolutionary-institutional theories of forming the economic nature of corporate social responsibility.

Social responsibility is an integral element in the macro-system man-state-society. On the one hand, people are essentially striving for the order specified in the Book of the Ruler of the Shang Region, on the other - by their actions they create disorder. The categories "order" and "disorder" are antipodes, and at the same time are interconnected and interdependent. Here you can see the peculiar manifestations at the level of society:

1) every complex social structure seeks self-preservation, in particular, through the regulation of social relations;

2) every complex social structure tends to disintegrate, disintegrate, in particular, through the rupture of normalized social ties. Examples include the Roman Empire, Kievan Rus', Yugoslavia, Czechoslovakia, and the USSR.

Here we are dealing with a kind of manifestation of the law of unity and the struggle of contradictions. Establishing norms of relations requires social control over their observance. Responsibility is a tool in the mechanism of social control.

Real responsibility should be understood as personal responsibility - real human actions that are consistent with the requirements of social norms, and in social terms - the negative consequences for a person resulting from the inconsistency of his actions with the requirements of social norms.

Potential social responsibility is the existence of an effective mechanism of social control that can ensure that each perpetrator is brought to the appropriate type of social responsibility in cases of violation of social norms, and in personal - a person's awareness of responsibility for the consequences of personal activities.

The problem of the responsibility of the citizen to the state, the state to the citizen and the responsibility of the individual for his actions has been in the field of interest of prominent philosophers since antiquity. In the works "State", "Laws", "Politics" Plato understood responsibility as one that is a moral duty to the state, the formation of which is facilitated by ethical education and philosophical reflection, as a state that corresponds to the inner convictions of man, his moral qualities, representation Social responsibility

on justice. He interpreted the outlined properties as a manifestation of charity inherent in every citizen.

In his writings, Plato represents the dual nature of responsibility: moral responsibility and responsibility before the law, which is transformed into responsibility for violating it. Thus, there are two aspects - positive (moral responsibility to society, the state) and negative (responsibility that a person suffers in case of violation of established norms).

A man who has escaped responsibility, Socrates believes, feels much worse than one who has suffered it, because such a person is unable to get rid of the suffering and torment of conscience, which is a means of keeping the soul from evil, if it is foolish and wicked, because after impunity evil goes more than evil, then - the next and thus - to infinity.

Demosthenes in his court speech "Against the Aristocrat" referred to ancient customs, according to which the killer was not allowed to step on the ground, because it was believed that this could lead to a famine.

In his addresses to the people, the social reformer and philosopher Solon reminded that the responsibility for an individual's crime falls on the shoulders of all citizens.

Aristotle understands responsibilities in the context of the relationship between state and citizen. In his work "Politics" the state acts as an association of free citizens, which is a "relative whole", the full functioning of which is associated personally with each of the citizens. Emphasizing the difference between actions and deeds, the researcher considers actions to be the basis of responsibility. All beings in the world, he claims, perform actions - only man performs acts that are characterized as illegal in case of violation of the law.

In medieval philosophy, the concept of responsibility is understood through the prism of theocentrism. The philosopher and jurist Tertullian in his Apology reflects on the responsibility for transgressing a just law of nature (laws of nature) and violating God's commandments, which were first proclaimed to Adam and Eve in Paradise and later passed on to the Gentiles through Moses.

Feuerbach L. concludes that a person is inevitably responsible for the injustice he inflicts on others. He sees the problem in reconciling "will to self" and "will to others", ie personal desire for happiness with the desire for happiness of others.

G. Skovoroda emphasized the responsibility of man in making a choice between good and evil, truth and deception.

In modern scientific sources, in the most general, concentrated sense, the etymology of the concept of "responsibility" is reflected in the available linguistic reference sources. According to the dictionary VI Further, responsibility is "the duty to be responsible for something, the duty to vouch for something, the obligation to report on something."

In dictionaries, responsibility has several meanings:

- 1) a provision in which a person performing any work is obliged to give a full report on his actions and take responsibility for the possible consequences that may occur during the performance;
- 2) performance of duties, obligations;
- 3) assigned to someone or assumed responsibility for a certain area of work, business, actions, deeds, words;
- 4) seriousness, importance of the case, moment, etc.

Liability can be determined by status (liability of an official, etc.) or an agreement (liability to a contractor, liability of an employee, etc.).

Responsibility is determined by status, is perceived by a person as a vocation, and due to the agreement - as a duty. It can be twofold:

- a) caused by group, corporate, official or any other local responsibilities, which brings it closer to the understanding of accountability;
- b) self-accepted person as a personal and universal duty. In both cases, its dimension is preserved, which is fixed in the modality "responsibility before", in contrast to the modality "responsibility for".

1.2. The essence of corporate social responsibility.

Social responsibility- is a social phenomenon, which is a voluntary and conscious implementation, use and observance by the subjects of social relations, regulations, social norms, and in case of their violation - the application to the violator of measures of influence provided by these norms.

Social responsibility is characterized by the presence of the following features:

- 1) it is a social phenomenon endowed with specific historical content;
- 2) it is the conscious fulfillment of the duty (duty) of a person to society;
- 3) its implementation is a matter of conscience of the subject;
- 4) failure to perform a duty (duty) involves a degree of condemnation of such a person by society (social group, individual members of society);
- 5) contains initiative;
- 6) gives preference to either a public entity or an individual entity that is likely to be treated as a representative of a society or social group;
- 7) prefers a compromise between public interests and goals, on the one hand, and individual, professional, ethical, etc. aspirations, on the other;
- 8) people's behavior in the context of social responsibility is determined, for the most part, by people's expectations regarding the social position of the subject in the formation of socially defined attributes of specific social groups.

The components of social responsibility are the subject and the object.

Responsibility has two criteria: objective, which characterizes the objective conditionality of the active subject of external social requirements, ie, its involvement in social relations and relationships; and subjective, which determines the social and moral and psychological qualities of the individual as a social being, as a product of social education, formation and development,

which shows the person's awareness of his duty, his innocence to society. Any responsibility is political in nature. It should be noted that social responsibility is dichotomous, which means not only mutual conscientious, responsible attitude of the subjects of social relations to their socially significant behavior, but also the responsibility of the state to society and man. Thus, the social responsibility of the subjects of social relations and the state must be mutual.

Social responsibility- is a social phenomenon, which is a voluntary and conscious implementation, use and observance by the subjects of social relations, regulations, social norms, and in case of their violation - the application to the violator of measures of influence provided by these norms.

Social responsibility and social security are inextricably linked. Social responsibility is a guarantor of social security in general and personal security in particular, a means of maintaining and strengthening social harmony, the integrity of society and the state.

Social responsibility in the system of sustainable development.

Social responsibility, regardless of the level and scale of the study, is defined at the global, national, regional and industrial levels. The global level reveals the meaning of social responsibility by identifying the problems and conditions of human existence and finding ways to solve them through the expansion of social integration aimed at ensuring sustainable development regardless of place of residence and race.

Sustainability provides a balanced development of economic, environmental and social systems and their simultaneous ability to self-regulation and reproduction.

According to the international experience of implementing sustainable development, the greatest successes in this path have been achieved by those countries that have used tools and mechanisms that have helped to comply with certain restrictions, overcome significant obstacles, introduce new standards, regulations and more. Social responsibility has become the most influential lever in the implementation of sustainable development.

Social responsibility- is the expression of will, which is determined by certain behavior in compliance with conscious restrictions and social norms, ensures security and progressive development, ensures the coordination of the interests of actors involved in public relations and their management.

Social responsibility is multifaceted and multilevel. It is manifested at the personal (individual) level through the degree of civic maturity of the individual and is the basis for other levels. Manifestations at other levels depend on a person's worldview and awareness of his significance in world transformations, on his desire for transformations in all spheres of his life.

At the group level, social responsibility is defined as corporate social responsibility; on the public - it implies the social responsibility of society for a decent standard of living of present and future generations; at the state level - identifies the best ways to achieve sustainable, social and human development. At the global level, social responsibility outlines the priorities of world development, human civilization through international agreements on sustainable development (Rio de Janeiro, 1992; Johannesburg, 2002; Rio de Janeiro, 2012). .), as well as the UN Global Compact.

The world community has developed a system of standards and guidelines for sustainable development, namely: ISO 14000 in the field of environmental management systems, Global Reporting Initiative (GRI) - guidelines for reporting in the field of sustainable development, international standard on social responsibility ISO 26000, ISO 9001: 2000 and so on.

Sustainable development is defined by the UN as the main direction of civilization for the XXI century. Ukraine is one of those countries that have undertaken to implement the principles of sustainable development in the economic system. The author's team of the Institute of Industrial Economics of the National Academy of Sciences of Ukraine conducted a series of expert surveys on the budget topic "Social factors of sustainable development of the industrial region", including positive changes in socially responsible actions for sustainable development in Ukraine (Table 1.1) [22].

Table 1.1

Assessment of the positive consequences of socially responsible actions in the implementation of the principles of sustainable development in Ukraine, %

<i>What positive changes will take place in socially responsible actions in the implementation of the principles of sustainable development in Ukraine?</i>	
Caring for the environment, rational consumption and use of natural resources	65.8
Social, economic and environmental balance and development	57.0
Strengthening the health of the population, increasing life expectancy and employment	44.3
Activation of socially responsible activity of the state, society, business, personality in the formation of conditions for sustainable development	43.7
Formation of a coherent system of values and spiritual and cultural development of human society	43.7
Use of resource-saving technologies in production	40.5
Modernization of social relations, consolidation of efforts of society and government to ensure sustainable development	39.2
Formation and implementation of the consumption model in accordance with the principles of sustainable development	26.6
Ukraine's high rating of sustainable development in international comparisons	12.0
Other	3.2
Difficult to answer	1.9

Thus, the implementation of the principles of sustainable development in the country can be achieved by modernizing management systems and public relations on the basis of social responsibility, when motivational mechanisms for socially responsible behavior in this area of the individual, society, business, state.

1.3. Types of social responsibility

Social norms perform protective, regulatory and educational functions, determine the rational limits of human freedom. There are the following types of social norms: customs, traditions, moral norms, religious (canonical) norms, ethical norms, political norms, corporate norms, norms of public organizations, technical norms, cultural norms, legal norms, etc.

Depending on the types of social norms, the following types of social responsibility are distinguished: moral, religious, disciplinary, political, legal (legal), etc.

Moral responsibility occurs in case of violation of traditions, customs, cultural norms and aesthetic norms. It is reflected in public condemnation and social isolation from the subject who violates or evades the rule of conduct.

Political responsibility occurs in violation of the norms that society relies on public policy.

Corporate responsibility occurs in case of violation of corporate rules, which are adopted by a certain social structure and have no legal significance.

Religious responsibility based on the rules governing the practice of religious worship and faith in God.

All the above-mentioned types of social responsibility are passive, as the negative reaction of society in these cases does not involve coercive influence on the violator.

Legal responsibility occurs in case of violation of state-organized law. It is active because it involves active psychological influence on the offender up to the use of coercive physical influence.

Thus, social and legal responsibilities are correlated as general and special. These types of responsibilities have the following common features:

1. Both any social and legal responsibility is a means of guaranteeing and protecting public relations; Social responsibility
2. They are set by certain entities and guaranteed by certain means;
3. Are means of guaranteeing human rights and public interests;
4. Have a dynamic nature, ie develop and transform together with social relations;
5. Exist in a certain area and are regulated by a certain kind of social norms;
6. Achieve the achievement of a certain goal and have a functional focus;
7. Anticipate the occurrence of certain consequences for the violator;
8. Produce respect for human rights and freedoms and are manifestations of the culture of society.

The presence of the above common features does not deny the independent nature of legal liability as the main type of social (Table 1.2).

Table 1.2

Distinctive features of legal and social responsibility

Legal liability	Social responsibility
Appointed by the competent authorities of the state	Appointed by non-governmental organizations
It is provided by legal norms	Regulated by social norms
Has a coercive nature	Not a means of coercion
It is used in accordance with the regulatory process	Regulated in any order
It has a certain type and shape	It has an arbitrary shape
Associated with government activities	Associated with the means of social influence
It occurs regardless of the understanding of the content of norms by the subjects and the attitude to them	It occurs as a result of violation of norms, depending on the understanding of their content and attitude to them
Has a legal nature	Exists in different forms

Social responsibility in its essential content has two manifestations - positive and negative. Under the positive (prospective) social responsibility should be understood as voluntary and conscious use, implementation, compliance with the subjects of social relations, the prescriptions of social norms. Under negative (retrospective) Social responsibility

social responsibility means the application to the violator of social norms of measures of influence provided by these norms.

Social responsibility has two forms of implementation: voluntary - expressed in the duty of the subject to comply with social norms by his lawful behavior and reaction to it, and coercive - expressed in the duty of violators of social norms to comply with various measures of public and (or) state coercion .

1.4. Grounds for social responsibility

There are objective and subjective grounds for personal responsibility. The study of the objective foundations of social responsibility involves a comprehensive study and consideration of a number of factors: the objective laws of nature, society, thinking, determining the purpose and actions of people.

Objective possibilities The choice of a certain variant of a person's behavior, and hence the degree of responsibility, depends (along with the social orientation of the person) also on his position and social role in society.

Prerequisite for subjective grounds for responsibility is the possibility of knowledge of the subject of the laws of nature and society. This is primarily due to the problems of freedom of will, the need to choose behavior. Among the subjective grounds for social responsibility, usually distinguish [56]:

- 1) the possibility of individual knowledge of the laws of the objective world, specific social necessity;
- 2) freedom of will of the individual;
- 3) the relative independence of his consciousness and will from the environment;
- 4) not rigid, but the probable nature of the determination of human behavior;
- 5) the possibility of choice and freedom of choice of different behaviors;
- 6) the ability of the individual to evaluate their actions in accordance with the interests of society.

The content of social responsibility is formed due to the interaction of factors of two kinds:

- a) objective, forcing to act through needs and, accordingly, through more or less adequate knowledge of reality;
- b) subjective, acting for the subject as internal, conscious, as well as value factors. Social responsibility

It is accepted to differentiate two bases of social responsibility: a) normative; b) actual.

Regulatory basis social responsibility, both negative (retrospective) and positive (prospective), is a system of existing existing social norms that function in this society.

The actual reason is negative social responsibility is the commission by a subject of social relations of an act that contradicts a social norm or norms, and in case of violation of a legal norm - the presence in such an act of the relevant offense.

The actual reason is positive social responsibility is a lawful act of the subject of social relations, in other words - the presence in its action of the appropriate composition of the right to act.

1.5. Principles of social responsibility

The basic principles of social responsibility include:

- accountability, which is that the organization must report on the impact of its activities on society and the environment;
- transparency, which means that business entities need to be transparent in their decisions and activities that affect others. Transparency does not imply the disclosure of official information, as well as information that is protected by law or may lead to a breach of legal obligations;
- humanity - recognition of the importance and universality of human rights enshrined in the Universal Declaration of Human Rights;
- fear as a category that limits those areas to which under no circumstances should human influence extend (fear for the future of mankind, generated by reverence for life);
- moderation in making certain decisions (the purpose of moderation is to save lives, and only the future generation is able to fully assess the consequences of current activities);
- patriotism as an understanding of the value and uniqueness of the Motherland;
- a sense of duty as a moral obligation of man, which he performs with a sense of conscience;
- morality as a special sphere of public consciousness and a type of social relations, the purpose of which is to form ways of normative regulation of behavior and actions of people in society with the help of norms, principles and categories of morality; Social responsibility
- spirituality as a process of harmonious development of human spiritual endowments;
- professional competence as knowledge, experience, education in the relevant field of activity;
- creative orientation as a tendency to creative initiative;
- diligence as a character trait, which consists in a positive attitude of the individual to the process of work, which is expressed through activity, initiative, integrity, discipline and more.

Questions for control:

1. What is the commonality and difference between the concepts of real and potential responsibility?
2. What is the dual nature of responsibility according to the teachings of Plato?
3. Define social responsibility.
4. What signs reveal the essence of social responsibility?
5. How are social responsibility and social security related?
6. Why is social responsibility linked to the system of sustainable development?

7. Describe the types of social responsibility.
8. Analyze the common and distinctive features of legal and social responsibility. Draw conclusions.
9. Explain the essence of the principles of social responsibility.

1.6. Subjects of corporate social responsibility.

Responsibility for the behavior of the individual or community is formed the following groups of motives:

- pragmatic motives (consideration of one's own behavior through the criterion of meeting one's own needs);
- social motives (trying to benefit society by one's own activities);
- motives of self-knowledge (imply the need to assess their own strengths and skills);
- legal motives (monitoring of own activity from the standpoint of compliance with regulations);
- motives for self-affirmation (due to the desire to attract attention).

Awareness of responsibility is largely determined by the motives of behavior of an individual or social group and involves understanding the importance of their own actions or inaction, their consequences in terms of norms, rules, laws.

In understanding the social responsibility of business, it is necessary to highlight the following positions:

- Entrepreneurs tend to understand social responsibility through conscientious payment of taxes, observance of laws, timely payment of wages to employees. This position is justified by the fact that tax deductions and jobs are important for social development, which ultimately ensures the transparency of financial flows in doing business;
- Employees understand social responsibility as the social policy of the enterprise, the responsibility of the employer to the staff. This position is justified by the existence of solidarity and interdependence of the subjects of social and labor relations, increasing work efficiency due to high motivation, commitment of employees, which expands the capacity of the consumer market and the corresponding increase in business profitability;
- consumers understand social responsibility as the duty of economic entities to produce quality goods, provide quality services and perform quality work, provide truthful information about them, do not overestimate their prices, do not support bad habits of consumers or find ways to reduce the negative impact of products, which is such for by its nature or technical characteristics;

– Heads of government understand social responsibility as the duty of entrepreneurs to carry out charitable activities and make charitable contributions, often in exchange for the right to carry out economic activities in a particular economic segment or territory;

– individual social groups in the concept of social responsibility

invest moralized business behavior through charity, assistance
the needy and the strata of society;

– from the standpoint of business partnership social responsibility

manifested through the formation of relationships with partners on the principles

compliance with agreements, professional standards and financial
responsibilities;

– society as a whole (population, citizens) in the concept

social responsibility invests rational consumption, recovery

used resources and preservation of the natural environment in general. Within

This concept integrates environmental policy on a voluntary basis

in business strategy and in relationships with other organizations.

Forms of manifestation of social responsibility of business:

– responsible manufacturer

– responsible employer

– responsible participant in social relations

– responsible participant in economic and political relations with
state

– responsible business partner.

1.7. Stages of development of corporate social responsibility.

The theoretical basis of the concept of social responsibility of business was laid in the XVIII century, when industrial revolutions took place and formed a modern idea of entrepreneurship. Owners of individual businesses took responsibility for their employees based on their own religious or ethical beliefs.

In the early twentieth century. in the United States, the doctrine of capitalist charity is emerging, according to which for-profit organizations must donate part of their funds for the benefit of society, ie to finance public needs. At this time there is a sharp increase in pressure from society and its institutions, companies began to require compliance with certain standards and control over their implementation. Enterprises were forced to build their relations with the state and society according to new rules and develop new targeted programs, especially in the field of ecology and labor protection, which provided the company with the necessary conditions for its own activities. The economy has developed the idea of the ethical factor, the inadmissibility of reducing the responsibility of enterprises only to the economic interest and determining the level of ethics depending on needs,

However, the first stage of CSR development is considered to be 1920-1950. At this time there is a famous work of Peter Drucker "Management Practice", in which he considered social responsibility as one of the eight key factors in achieving business goals. Drucker noted that companies have acted as the main socio-economic institutions that have laid down other methods and ways of future existence of society.

A remarkable achievement of this period was the scientific work of G. Bowen (Howard R. Bowen) "Corporate Social Responsibility", published in 1953. According to the author, the social responsibility of the businessman is to implement such policies, decisions or follow such a course of action that would be desirable for the purposes and values of society. " In his work, the author formulated the doctrine of social responsibility as an obligation of businessmen to carry out daily business practices in compliance with the goals and values of society.

During the 1950s, the question of the relationship between CSR and business benefits as such was extremely rare. The main focus was on the responsibility of business to society and activities that increase the welfare of society.

Stage II. In the 1960s, the idea of corporate social responsibility was further developed and spread largely thanks to the work of progressive scholars, widespread at the time social movements for the protection of civil rights, women's and consumer rights, and the environment. In the world, the attention of various groups, including entrepreneurs, to social problems such as environmental pollution, the struggle for civil rights, the state's requirements for environmental responsibility of companies began to increase, the demands on business from unions and consumers. In Western Europe, under pressure from the public and non-governmental organizations, many governments have adopted stricter standards in labor and nature protection.

As early as the early 1970s, it became clear that the CSR concept proposed at the time provided an answer to the question of what CSR should be understood and what its sources were, but did not address the specific content of this responsibility and did not specific methods by which this responsibility can be realized by the company.

The new trend was formed around the category of "corporate social response" (corporatesocialresponsiveness), which is often understood as the company's ability to perceive social influence. An important contribution to the development and support of this concept and determining its place in the evolution of CSR was made by researchers such as R. Ackermann and R. Bauer, S. Sethi and D. Votav, A. Carroll and W. Frederick. Corporate social response was interpreted, in general, as an alternative to corporate social responsibility. The authors criticized the term "social responsibility" as one that evokes associations with obligations and focuses not so much on the activity itself as on motivation.

A notable milestone during this period was the publication in TheNewYorkTimes of an article by Nobel Laureate, eminent economist M. Milton Friedman, "Social Responsibility of Business." The author noted that the only social obligation of business is to increase profits in compliance with competition rules. M. Friedman rejected the concept of corporate social responsibility for the following reasons: corporations, in contrast to individuals, can not be socially responsible; company directors can hardly be called representatives of stakeholders, as their main task is to maximize shareholder profits; directors of companies, not being owners, do not have the right to spend money on activities that do not involve generating profits; it is very difficult to determine the range of social issues for which the company should be responsible,

III stage. The link between CSR and sustainable development. The 1980s became decisive in the context of CSR development. During this period the theory developedFriedman's stakeholders, the development of an organizational structure for CSR management begins and the concept of sustainable development appears for the first time.

The most common definition of "sustainable development" today was proposed in the Brundtland Commission's report "Our Common Future" in 1987. ». It involves ensuring a high standard of living for present and future generations. It is generally accepted that the Concept of Sustainable Development encompasses at least two important ideas:

- This development involves solving economic, social and environmental problems. Development will be sustainable only when a balance is reached between the various factors that determine the general standard of living.
- It is the duty of the present generation to leave to future generations a sufficient supply of social, natural and economic resources so that they can provide for themselves a level of well-being no lower than that which we have now.

IV stage. Formation of a business case for CSR. The 90s were marked by the development of the concept of CSR, more scientific work. There is a theory of motivation of companies to implement CSR. So, Debra Wood identifies 3 motivational reasons: environmental management, various issues and stakeholders.

The concept of sustainable development has become widespread since the Declaration of the Earth Summit in Rio de Janeiro was adopted in 1992.

V 90s several new definitions of CSR have emerged, which have introduced new characteristics into this concept. During this period, Elkington (founder of SustainAbility) in the book "Cannibals with forks: a triple criterion of business in the XXI century." the concept of the triple criterion was proposed, which provides a balance between economic, social and environmental development goals. The concept is based on three categories: People, Planet, Profit. This concept assumes that everything that is done well for society, for the environment also has a positive impact on the company's financial performance.

In the 1990s, CSR was defined as a self-sufficient area of corporate relations. New organizations are emerging to provide social responsibility advice, such as SustainAbility (1989), Business for Social Responsibility (1992) and CSR Europe (1996). CSR in this period, from the forms of simple rules of conduct and reporting, moves to a new level, which manifests itself as a more intensive dialogue between stakeholders and non-governmental organizations, the introduction of initiatives involving a wide range of stakeholders.

Stage V. Institutionalization of CSR at the national level, the emergence of international standards. Prior to 2003, CSR was a concept with about 80 definitions: corporate citizenship, charity,

social responsibility of business, etc. In 2010, the International Guideline on Social Responsibility ISO 26000M was adopted. About 450 experts from 99 countries developed this standard, which is the first globally agreed guide for the implementation of CSR by any organization.

According to the definition given in ISO 26000, "Social responsibility" is the responsibility of the enterprise for the impact of its decisions and actions on society, the environment, through transparent and ethical behavior, which:

- promotes sustainable development, as well as the health and well-being of society;
- takes into account the expectations of stakeholders;
- complies with current legislation and international standards of conduct.

At the European level, the Green Paper "Promoting the European Framework Concept for Corporate Social Responsibility" was adopted and the UN Global Compact was developed.

1.8. The essence and components of corporate social responsibility of business.

the final environment of its activities.

In understanding the social responsibility of business, it is necessary to highlight the following positions:

- Entrepreneurs tend to understand social responsibility through conscientious payment of taxes, observance of laws, timely payment of wages pay employees. This position is justified by the fact that tax deductions and jobs are important for social development in the long run case provides transparency of financial flows in the conduct of economic activities;
- Employees understand social responsibility as social policy of the enterprise, the responsibility of the employer to the team employees. This position is justified by the existence of solidarity and interdependence of subjects of social and labor relations, increase work efficiency due to high motivation, commitment of employees, for due to which the capacity of the consumer market and the corresponding growth expands business profitability;
- consumers understand social responsibility as a duty economic entities to produce quality goods, provide quality services and perform quality work, provide truthful information about them, no inflate prices on them, do not support bad habits of consumers or find ways to reduce the negative impact of products that are such by its nature or technical characteristics;
- Heads of government understand social responsibility as the duty of entrepreneurs to carry out charitable activities and do charity work contributions, often in exchange for the right to conduct business in a particular economic segment or in a certain territory;
- individual social groups in the concept of social responsibility invest moralized business behavior through charity, assistance the needy and the strata of society;
- from the standpoint of business partnership social responsibility manifested through the formation of relationships with partners on the principles compliance with agreements, professional standards and financial responsibilities;
- society as a whole (population, citizens) in the concept social responsibility invests rational consumption, recovery used resources and preservation of the natural environment in general. Within This concept integrates environmental policy on a voluntary basis in business strategy and in relationships with other organizations.

depending on the types of social norms are as follows types of social responsibility: moral, religious, disciplinary, political, legal (legal), etc.

Moral responsibility arises in case of violation traditions, customs, cultural norms and aesthetic norms. She reflected in public condemnation and social exclusion from the subject who violates

or evades compliance with the rules of conduct. Political responsibility arises in violation of the rules compliance with which society relies on public policy.

Corporate responsibility arises in case of violation corporate rules adopted by a certain social structure and have no legal significance. Religious responsibility is based on norms that regulate the order of religious worship and faith in God.

All the above types of social responsibility are passive nature, as a negative reaction from society in these cases does not provide for coercive influence on the violator.

Legal liability arises in case of violation of norms state-organized law. It has been active since involves active psychological influence on the offender up to use of coercive physical influence.

Thus, social and legal responsibility correlate as general and special. For these types of responsibilities the following common features are inherent:

1. There is both social and legal responsibility a means of guaranteeing and protecting public relations;
2. They are set by certain entities and guaranteed by certain means;
3. Are means of guaranteeing human rights and public interests;
4. Have a dynamic nature, ie develop and are transformed together with public relations;
5. Exist in a certain area and are regulated by a certain variety social norms;
6. Achieve a certain goal and have a functional orientation;
7. Anticipate the occurrence of certain consequences for the violator;
8. Produce respect for human rights and freedoms and are manifestations culture of society.

The presence of the above common features is not denied independent nature of legal responsibility as the main kind of social There are three models of social responsibility:

- 1) American;
- 2) European;
- 3) Japanese.

However, it should be noted that in the scientific literature can be found and other models, such as British, Anglo-Saxon, continental, which, in our opinion, are derived from these three models and based on them.

The American model of social responsibility was formed in the XIX century; it focuses on the behavior of the enterprise in market conditions, development of positive relations with regional and local authorities.

Traditionally in the United States, social responsibility is based on maximum freedom of subjects and focused on the philanthropic model.

Historically, business was only obliged to pay taxes, so I am certain gave a share of profits to charity. In the United States the total amount of contributions to charities is about 1.7% GDP.

Solving many social problems (vocational education, personnel insurance) in the United States is implemented by many developed mechanisms for business participation in social support society

through corporate funds. Also social responsibility is often associated with enterprise staff volunteering programs and organizations during working hours. Responsible social activities and charity is stimulated by certain tax benefits that established at the legislative level for organizations that employ the disabled, retirees, youth and veterans. Yes, c In the United States, there are three types of tax benefits that reimburse the cost of jobs for disabled workers and allow you to make them more accessible:

annual lending to small businesses to do so more accessible for people with disabilities;

all businesses and organizations can count on discounts for overcoming obstacles of various kinds in the workplace for people with disabilities;

tax credit for employers who employ certain groups of people, ie youth, the disabled, pensioners, veterans.

Charities in the United States also have tax breaks, in particular, they are exempt from real estate tax and sales tax.

Social responsibility According to the nature of American entrepreneurship, public relations are regulated independently. This includes volunteering health insurance, the sphere of labor relations employee-employer (bilateral agreement), etc. Business responsibility in front of workers is largely limited to the creation of workers places and ensuring their effective use by the organization safe working conditions and high tax rates. So, you can to state that the American model of social responsibility business is realized mainly through charitable contributions, which

with the assistance of numerous mechanisms of corporate funds used for the social needs of society, as well as implementation volunteer and social programs. The influence of state institutions is indirect.

European model of social responsibility formation. IN Europe has historically had a slightly different model. European understanding of the principles of social responsibility is formed from socially responsible mechanisms of doing business with significant influence of the state. An important factor now is the partnership:

the state often has representatives in management and stakes in all business structures.

Thus, the European model of corporate social responsibility fundamentally different from the American direct influence of the state.

European business sees the state as an institution that performs accepted in society rules of conduct, while in the United States is similar state intervention is interpreted as a violation of freedom of business. According to the American model of business profitability is fundamental

the purpose of social responsibility, but the European refers to it additional aspects: obligations to staff and territorial communities.

Japanese model of social responsibility formation.

The Japanese model of corporate social responsibility is also relevant

for the Republic of Korea. A study of the Japanese social model responsibilities show a significant influence of the institution of the state, but it should note that Japanese business has historically focused on domestic programs that make the company a family for the employee. In the poor

the country's natural resources are traditionally cultivated on the principle of "Our wealth - human resources ", according to which conditions are created the most efficient use of staff. Within responsibility to employees business provides housing for professionals, stimulates family

dynasties, pays for education, etc. By reorganization of the management structure allocated departments of social responsibilities that inform the public about social programs and activities, publish reports and take responsibility for communication with stakeholders. At the same time there is an increase attention of the government, foundations and business to the external component of social responsibility.

Signs of CSR

staff, local communities and the environment.

Here are other definitions of corporate social responsibility,

emphasizing the main features:

- “integration of social and environmental aspects into the daily commercial activities of enterprises and in their interaction with stakeholders on a voluntary basis” (Definitions from the Green Paper of the European Union, 2001);
- “achieving commercial success by means of compliance moral values and respect for people, communities and the environment”;
- “promoting responsible business practices that benefit business and society and helps to achieve social, economic and environmental sustainability development through maximizing the positive impact of business on society while minimizing its negative impact” (International Leaders Forum business, IBLF);
- “business commitment to promote sustainable economic development, working with workers, their families, the local community and society in general to improve the quality of their lives” (World Business Council for Sustainability development, WBCSD);
- “voluntary strategy that purposefully takes into account the economic activities social and moral and ethical aspects in relations with all stakeholders”;
- “doing business in compliance with moral and ethical principles, respect for rights human rights, workers' rights and the social environment, and conservation environment”.

2.3. Subjects of corporate social responsibility.

Forecasting and formation of CSR in local self-government should begin

on the separation of components and their further systematization by subjects of manifestation (Table 1). It allows you to imagine the role and responsibilities of both the joint and each individual group of participants in formation of the state of CSR of territorial communities. Constructive and meaningful construction. The essence of CSR is directly based on constitutional norms, the Law of Ukraine

"On local self-government in Ukraine", types and purposes of public activities, strategic goals and current tasks of development of administrative-territorial entities.

It should be ensured by the competence of the local self-government as a system-forming body, complementarity of corporate development goals, corporate strategies, enshrined provisions on CSR in the organizational acts of local self-government and legal documents. Yes, MHI should focus on social security for residents ensuring social justice, social equality, overcoming the alienation of life and the existence of man from society, its participation in public life and the formation of common benefits, compliance with social standards, increasing incentives for

productive work, involving residents in the management, development of socio-spiritual and social spheres infrastructure, protection from social ills, overcoming social dangers and creating other opportunities for the development of social behavior.

CSR subjects at the level of territorial communities	The most probable areas of participation in the formation of CSR
1	2
State	- accession and adherence to the 10 basic principles of the UN Global Compact in the field of human rights, labor relations, nature management and anti-corruption; - approval and observance of the principles of "honest" government; - transparency of activities; - support and development of the democratic system; - approval of standards of the social responsibility system; - consolidation of efforts to increase CSR (creation of development centers, institutional support); - socialization of policies, strategies, programs, plans and projects for the development and deepening of CSR in public life - a socially responsible state, etc.
Local governments	Creating a foundation for the development of corporate social responsibility of administrative-territorial units by: - introduction of organizational standards (ISO): ISO 14000 standard, which helps to choose directions, establish and implement efforts to improve corporate social responsibility for the environment; - social support of municipal enterprises; - ISO 8000 standard "social responsibility"; - voluntary monitoring and certification and assessment of working conditions in international companies and global markets through the formation of the development of society's rights and improving the quality of life; - creating conditions for the development of CSR, stimulating and supporting its processes; - development of CSR policy and program in local self-government on the principles of social responsibility of government, business, public organizations and residents
Business entities in various spheres of public life	- observance of social and economic rights of employees, in accordance with the codes of the Labor Law, full and high-quality performance of duties to subordinates, authorities and cooperative organizations; - taking into account the interests of employees, the establishment of additional benefits and guarantees; - compliance with responsibilities for rehabilitation and training; - conscientious payment of taxes to the state; - compliance with the requirements of the legislation of Ukraine - production of quality products and services; - positive impact on the development of society; - implementation of charitable and sponsorship projects; - implementation of measures and support of positive image and positive public opinion; - providing loans for social and charitable projects of territorial communities; - socially responsible attitude to the provision of services, requirements of producers and consumers, etc.
Man	- the presence of beliefs and awareness of the need to participate in progressive processes of society; - adhere to the principles and social norms in public relations in reconciling their own interests with the interests of society, other individuals and entities involved in public relations; - support for the position of state and local authorities in matters of social development; - to produce the desire and ability for civic duties, etc.

Lecture 2. Conceptual foundations corporate social responsibility Concept responsibilities in the system public relations . Locus of control. Social projects and initiatives in the organization .

2.1. Pyramid of Carroll . Group of motives of individual and social responsibility.

. 2.2. Awareness of responsibility. Corporate social responsibility.

2.3. The main steps of implementation in the practice of organizing a socially responsible approach.

2.4. Development and implementation of corporate social program.

2.5. Social entrepreneurship.

2.1. Pyramid of Carroll . Group of motives of individual and social responsibility.

Responsibility in the system of social relations includes awareness of the individual or the social community of its duty to society and the consequences of its action or inaction, reconciling them with the responsibilities and tasks that arise in connection with the needs of public development. Responsibility is also interpreted as imposed on someone or taken by someone the obligation to report their actions and plead guilty to their possible consequences. In this regard, the individual or community are formed different types of behavior that called the locus of control. Locus is a quality that characterizes the subject's tendency to attribute responsibility for the results of their activities to external forces or their own abilities and efforts.

According to the functional orientation, it is external and internal. External locus of control means that a person perceives his life as a process controlled by external forces, chance, and the internal locus of control involves control from within through one's own efforts and actions. IN social relationships manifestations of the locus of control are often reflected in the results activities of individuals. For example, how competent an employee feels depends from how he treats his failures, that is, one who considers himself a victim of circumstances, usually shifts the responsibility for his failure to other people or external forces.

Responsibility has several manifestations, including the psychological aspect, which is based on the possibility of choice, ie the conscious advantage of a certain course of action. The choice may be to be carried out both in the conditions of cooperation, mutual understanding, and in the conditions of confrontation, conflict, where the interests of the individual or public associations are in conflict. The legal aspect of liability is manifested in the undesirable, unfavorable to the individual and the consequences of public sanctions and the application of certain sanctions and measures of public condemnation to them, forced restriction or deprivation of public goods.

The relationship of different types of responsibilities is reflected in the pyramid of A. Carroll1 which is based on economic responsibility, because historically enterprises were created as producers of goods and services, which allowed to meet the needs of members of society, and, accordingly, to make a profit. Legal responsibility, as the next step , requires the observance of existing laws and the subordination of their economic activities to existing legislation. Ethical responsibility requires the company to act in accordance with public expectations, which are not fixed by legal norms (sometimes exceed them), but are based on existing standards of morality of stakeholders. Discretionary (philanthropic) responsibility implies that the company will voluntarily meet the expectations of society and focus its activities on the support and development of social programs.

Carroll proposes to analyze the achievements of organizations in each type of responsibility in the context stakeholders, noting that such an approach allows the company to decide whether other types of social responsibility, based on the characteristics of each group.

The responsibility of the behavior of a social unit is formed by the following groups of motives:

- pragmatic motives (attempts to consider their behavior through the prism of benefit and satisfaction of own needs);
- social motives (attempts to benefit the state);
- motives of self-knowledge, self-development (due to the need to know yourself, assess their strengths and skills in a particular case);
- motives of moral self-affirmation (due to the desire to assert themselves in status moral personality);
- legal motives (view of their activities from the standpoint of law);
- motives of selfish self-affirmation (caused by attempts to attract attention).

This structure is dominated by social and pragmatic motives that determine the responsible behavior subject to the simultaneous satisfaction of their own and social needs. So, awareness responsibility is an understanding of the meaning of actions and their consequences in terms of norms, rules, laws. At there is an external (society, group, individual) and internal (own conscience, conscience) instances of responsibility.

In the economic sphere, the responsibility of managers and subordinates in the organization is manifested in:

- responsibility of the individual for their own actions and deeds, for the formation and self-development, professional and spiritual growth;
- responsibility of the head for the actions and deeds of staff;
- responsibility of the head for the actions and deeds of the organization as a whole;
- responsibility of employees for the state of affairs in the organization.

2.2. Awareness of responsibility. Corporate social responsibility:

essence, meaning and constituent elements. Positions on the understanding of social responsibility by different social groups. Levels of social responsibility. Forms of manifestation and realization of social responsibility of business. Implementation measures.

Corporate social responsibility is a concept of economic activity that allows you to combine social and environmental aspects and take them into account in the process of voluntary interaction with the external and internal environment of their activities.

In understanding the social responsibility of business, it is necessary to highlight the following positions:

– Entrepreneurs tend to understand social responsibility through

conscientious payment of taxes, observance of laws, timely payment of wages pay employees. This position is justified by the fact that tax deductions and jobs are important for social

development in the long run case provides transparency of financial flows in the conduct of economic activities;

– Employees understand social responsibility as social policy of the enterprise, the responsibility of the employer to the team employees. This position is justified by the existence of solidarity and

interdependence of subjects of social and labor relations, increase work efficiency due to high motivation, commitment of employees, for due to which the capacity of the consumer market and the corresponding growth expands business profitability;

– consumers understand social responsibility as a duty economic entities to produce quality goods, provide quality services and perform quality work, provide truthful information about them, no

inflate prices on them, do not support bad habits of consumers or find ways to reduce the negative impact of products that are such by its nature or technical characteristics;

– Heads of government understand social responsibility as the duty of entrepreneurs to carry out charitable activities and do charity work contributions, often in exchange for the right to conduct business in a particular economic segment or in a certain territory;

– individual social groups in the concept of social responsibility invest moralized business behavior through charity, assistance needy and the strata of society;

– from the standpoint of business partnership social responsibility manifested through the formation of relationships with partners on the principles compliance with agreements, professional standards and financial responsibilities;

– society as a whole (population, citizens) in the concept social responsibility invests rational consumption, recovery used resources and preservation of the natural environment in general. Within This concept integrates environmental policy on a voluntary basis in business strategy and in relationships with other organizations.

Forms of manifestation of social responsibility of business:

– responsible manufacturer;

– responsible employer;

– responsible participant in social relations;

– responsible participant in economic and political relations with state;

– responsible business partner

The responsible manufacturer assumes that the organization produces quality, harmless to consumers products, does not inflate the price of it, provides about it true information to consumers, acts in accordance with environmental law, cares about the environment, introduces the latest technologies for reducing the negative impact or elimination of hazardous waste, preventing them throw out.

The responsible employer assumes that the organization acts in accordance with norms of labor law (often exceeds them, providing employees additional social benefits), cares about working conditions, development and social welfare of its employees.

A responsible participant in social relations assumes that the organization participates in maintaining the well-being of society, most often manifested in charity for orphans, people with disabilities and others

socially vulnerable groups, in support of spirituality, education, science, culture, promoting the development of their region. Responsible participant in economic and political relations with the state assumes that the organization faithfully pays taxes and social security contributions insurance, operates in accordance with applicable law, avoids

corruption, effectively conducts business without benefits and subsidies from the state, provides transparency of corporate finance and requires transparency of public finance, upholds the rule of law, independent justice and political competition.

A responsible business partner assumes that the organization forms its own relations with partners on the principles of compliance with contracts, agreements and professional standards of activity, financial responsibility. The owners of the company are also known are proud of it, financial reporting is transparent, charity is not indicative, but sincere, reputation is stable.

Socially responsible behavior an organization can provide through different forms:

- the organization produces high-quality, harmless products for consumers, which has an economically and socially reasonable price, transparent information

on its consumer characteristics and operates in accordance with the law;

- the organization conducts its activities based on norms

labor legislation and exceeds them, providing employees with additional social benefits;

- the organization participates in maintaining the well-being of society;

- the organization pays taxes on time and in full, others legally established payments, avoids corruption;

- the organization forms its relations with market counterparties on principles of compliance with contracts and professional standards of activity.

Forms of manifestation of social responsibility of the state:

- responsible legislator;

- responsible employer;

- responsible participant in social relations;

- responsible participant in economic and political relations with citizens

- responsible business partner

Forms of manifestation of social responsibility of the person:

- responsible consumer;

- responsible employee;

- responsible participant in social relations

- responsible participant in economic and political relations with state

Corporate social responsibility involves three forms of manifestation:

- social commitment,

- social response,
- social sensitivity.

Social responsibility as a social obligation involves the main vector of behavior of the organization, its economic and legal responsibility before society. It is believed that the organization is included in the social responsible activities when striving to maximize profits and acting accordingly to the laws developed by society.

Social responsibility as a response to social norms and expectations define social responsibility as the organization's response to society's expectations. This common view involves formation the organization's behavior in areas not directly related to the product activities of the organization and provides for its participation in socially useful activities. Social responsibility as social sensitivity determines behavior organizations as a preventive, preventive, preventive. From this point of view socially responsible organization, in addition to the above actions and responsibilities, actively seeks ways to solve the social problems of its employees or individual social groups.

The main forms of socially responsible business are implemented through a number of the following measures:

- ensuring the labor rights of staff by creating conditions for the collective representation of interests in general and respect for the rights of the individual employee in the workplace;
 - increase in wages, payment of bonuses and compensations;
 - ensuring occupational safety and social responsibility
- enterprise restructuring;
- motivation of staff, drawing up individual pension plans
- provision and individual insurance;
- assistance in solving housing problems of employees of the organization;
 - creation of internal codes and social standards
- enterprise management;
- improving relations with consumers (compliance with standards product quality, taking into account the cultural specifics of the consumer, satisfaction specific needs of consumers, protection of confidential information about customers);
 - implementation of the principles of business ethics;
 - socially and ecologically balanced trade (ethical relations with partners and supply channels);
 - transparency of accountability to shareholders, observance of their rights;
 - social investment and socially responsible marketing.

The main steps of implementation in the practice of the organization of socially responsible approach. The main issues that must be addressed by the manager in the process of choosing the direction of socially responsible behavior of the organization. Choice of socially useful business. Choosing an initiative to support a socially responsible approach. Development and implementation of the program. Promotion of charity. The main tools for implementing a social initiative for promotion

charity. The main advantages for the company to promote charity. The main potential problems in the implementation of the initiative "Promotion of charity". Key success factors for promoting a charity. Charity marketing. Social marketing. Plan for social marketing activities. Philanthropy. Basic tools

implementation of philanthropy. Project for the implementation of philanthropic activities. Volunteer work. Socially responsible approaches to doing business.

2.3. The main steps of implementation in the practice of organizing a socially responsible approach.

Corporate social responsibility involves three forms of manifestation:

- social commitment,
- social response,
- social sensitivity.

Social responsibility as a social obligation involves the main vector of behavior of the organization, its economic and legal responsibility before society. It is believed that an organization engages in socially responsible activities when it seeks to maximize profits and acts in accordance with the laws developed by society.

Social responsibility as a response to social norms and expectations defines social responsibility as a reaction of the organization to the expectations of society. This common view involves shaping the organization's behavior in areas not directly related to the product activities of the organization and provides for its participation in socially useful activities.

Social responsibility as social sensitivity defines the behavior of the organization as a preventive, preventive, preventive. According to this point of view, a socially responsible organization, in addition to the above actions and responsibilities, is actively looking for ways to solve social problems of its employees or individual social groups.

The main forms of socially responsible business are implemented through a number of the following measures:

- ensuring the labor rights of staff by creating conditions for the collective representation of interests in general and respect for the rights of the individual employee in the workplace;
- increase in wages, payment of bonuses and compensations;
- ensuring labor safety and socially responsible restructuring of enterprises;
- motivation of staff, drawing up plans for individual pensions and individual insurance;
- assistance in solving housing problems of employees of the organization;
- creation of internal codes and social standards of management at the enterprise;
- improving relations with consumers (compliance with product quality standards, taking into account the cultural specifics of the consumer, meeting the specific needs of consumers, protection of confidential information about customers);
- implementation of the principles of business ethics;
- socially and ecologically balanced trade (ethical relations with

partners and supply channels);

- transparency of accountability to shareholders, observance of their rights;
 - social investment and socially responsible marketing
- External factors influencing the choice of socially responsible behavior of the organization are: the economic condition of the country, the experience of socialization of business, the mentality of the population, the peculiarities of the development of individual territorial entities.

Internal factors influencing the choice of socially responsible behavior of the organization: moral and ethical beliefs of leaders of organizations, business profitability.

The main advantages of a socially responsible approach to business are:

- ensuring public reputation;
- increase in sales and market share;
- strengthening the brand's position;
- improving the image and strengthening the influence of the organization;
- better opportunities for employee motivation and staff retention potential at the enterprise;
- attractiveness for investors;
- the possibility of forming partnerships with the authorities structures and mass media;
- formation of a safe environment;
- increase in sales and market;
- strengthening the brand's position;
- improving the image and strengthening the influence of the organization;
- better opportunities to retain and motivate employees;
- attractiveness to investors.

For society as a result of a socially responsible business approach structures is achieved:

- establishment of tripartism of partnership relations between the authorities, business and the public,
- ensuring social protection of the population,
- attracting investments in priority public spheres,
- support of public initiatives and development of social activity

Population At the present stage of development of social relations are the main ones

Prerequisites for the formation and development of corporate social responsibility are:

- revision of traditional views on the concept of social policy with positions of expanding the range of its subjects,
- increasing the role of intangible factors of economic growth and the cost of the organization,
- awareness of organizations of the need to conduct their own activities without disturbing the balance of personal and public interests, important a component of which are environmental requirements for activities;
- negative demographic trends that determine the need preservation of the qualification potential available in the organization.

Trends in corporate social responsibility:

- integration of social, environmental, legal aspects into everyday life commercial activity of enterprises
 - strengthening the influence of social units on the organization
- Forms of social responsibility of business in civic society:
- “open” form of social responsibility is based on ideas committing to address the issues in which it is interested society. This form covers voluntary and self-determined types behaviors and strategies of responsibility to society.
 - “hidden” form of social responsibility defines official and informal institutions of the country, through which the responsibility of organizations is coordinated before society. The "hidden" form of liability usually includes themselves those values, norms, rules, which are often legally binding entrepreneurs build their behavior in line with social, economic and political interests of the country.

There are three main models of social policy of the state: liberal, corporate and public.

At the heart of the liberal model of social policy is the principle that assumes the personal responsibility of each member of society for their own welfare. In this case, the role of government agencies in direct implementation social policy is minimized. Its main subjects are the individual and non-governmental organizations. The financial basis of social programs are in primarily private savings and private insurance. When liberal models of social policy, the state assumes responsibility for preservation only the minimum income of citizens and the welfare of the least well-off segments of the population. The liberal model of social policy is maximized

stimulates the creation and development in society of various forms of non-state social insurance and social support.

At the heart of the corporate model of social policy is the principle which stipulates that the organization is responsible for its employees.

By creating a system of lifelong employment, the organization encourages employees to

making the maximum labor contribution, for which he offers different types social guarantees in the form of pensions, partial payment medical, recreational services and education. In this case, the state, non-state organizations and individuals also have a share of social responsibility well-being in society. In this case, an important role is played by enterprises that have their own extensive social infrastructure and their own social insurance funds. The financial basis of this model is primarily insurance premiums organizations. In the corporate model of social policy a significant role in implementation of social policy is played by employers' organizations as a basis element of the human resources management system.

The social model of social policy is based on the principle of solidarity, which means the responsibility of society as a whole for its members.

This is the so-called redistributive model of social policy, in which the rich pays for the poor, the healthy for the sick, the young for the old. Basically, the public institution that carries out such redistribution is the state, which takes on itself a large part of the responsibility for the social well-being of its citizens.

The financial mechanisms of redistribution are the state budget and state social insurance funds, the funds of which go to provide a wide range of state social guarantees.

2.4. Development and implementation of corporate social program.

Every company that accepted a decision on the need to develop a corporate social program responsibility, must choose a traditional or strategic model of its implementation. The traditional CSR model involves periodic participation of the enterprise in CSR, depending on existing opportunities. That is, if at the moment the company has the necessary funds, it can invest in implementation of the CSR program, if the company does not have the financial capacity, it may suspend the implementation of the CSR program.

It should be noted that the strategic approach to CSR involves development of a long-term CSR program that takes into account the mission and strategy of the company and involves the integration of corporate social responsibility into its main activity. This approach, unlike the traditional one, allows allocation of funds for the implementation of the CSR program on a permanent basis, not just on individual events.

The main stages of the social responsibility program.

- Formation of goals and objectives of the program
- Defining program stakeholders
- Selection of program elements
- Forming the program budget
- Selection of persons responsible for the implementation of the program
- Implementation of program activities
- Determining the effectiveness of the program
- Development of measures to increase the effectiveness of the program

It is worth remembering that in order for the CSR program to bring socio-economic results, it is necessary to integrate it into the company's strategy. That is, the main activity of the enterprise and the CSR program must be the same vector.

Therefore, the choice of CSR goals will depend on the strategy you have chosen for the enterprise. Accordingly, the goals of CSR should be as close as possible to the missions and strategies and do not contradict them. Therefore, it is first necessary to define the mission and the main strategic goals of the enterprise, and then select the appropriate goals of CSR.

As for the goals of the CSR program, they may be different.

Consider the main ones:

- 1) stability and sustainable development of the enterprise in the long run perspective;
- 2) preservation of social stability in society;
- 3) improving the image of the enterprise, the growth of its business reputation;
- 4) staff development of the enterprise, which allows not only to avoid staff turnover, but also to attract the best specialists;
- 5) increase productivity at the enterprise;
- 6) promotion of goods and services of the enterprise;
- 7) coverage of information about the activities of the enterprise in the media information;
- 8) the possibility of attracting investment capital;
- 9) entering the international market, etc.

As you can see, depending on the chosen goals, programs can be targeted either inside the enterprise (internal CSR program) or outside it (external CSR program).

Corporate social responsibility programs are possible conditionally classified by types: 1) own programs of companies; 2) programs partnerships with local, regional and public authorities;

3) programs of cooperation with public and professional associations; 4) information cooperation programs with the media.

It is important to focus on identifying the main stakeholders of the program. Stakeholders are stakeholders (within or outside the company borders), which impose certain requirements on the results of activities enterprises. Among the many stakeholders are: shareholders, owners,

state and local authorities, employees, suppliers, consumers, population, investors, creditors, competitors, professional associations, public organizations, etc. Interests of shareholders, investors and suppliers directly related to the efficiency of enterprise management. Employees

expect adequate pay, good leadership, opportunities professional growth and building a business career, proper working conditions and positive moral atmosphere in the team. Consumers in the first place interested in quality, safety and availability of goods and services. Local administrations

governing bodies are interested in timely replenishment of the budget through tax revenues from business entities and in preservation and creating workers. Creditors' interests are taken into account in a timely manner fulfillment of obligations (repayment of loans and interest). Top managers interest in the ability to manage financial flows, etc. Among

influential stakeholders are allocated by the government and local residents of the regions, on

territories in which enterprises are located. Therefore, it is worth remembering that individual groups stakeholders (consumer protection organizations, professional organizations, environmental organizations) may put pressure on enterprise in order to comply with the law, the implementation of social reforms, etc. If one of the stakeholder groups is not satisfied with the activity enterprise, its reaction may interfere with its further work.

It is worth noting that the choice of major stakeholders is necessary to be carried out based on the goals of the CSR program. That is, the implementation of each individual the goals take into account the interests of a certain circle of the most influential stakeholders. In addition, it is necessary to justify the choice of each stakeholder and to form a list of them depending on the strength of their influence on the activity enterprises.

The next stage of developing a corporate social program responsibility is to define the elements of the program. Definition of elements CSR programs depend on a number of factors that are absolutely necessary take into account, namely:

- the size of the enterprise and the scope of its activities;
- financial capabilities of the enterprise;
- loyalty and devotion of employees of the enterprise;
- cooperation with local authorities, the population and public organizations, etc.

1. Charity is a form of targeted assistance provided by the company implementation of social programs. Such assistance can be both cash and and natural form (products, transport, office space, which allocates the management of the enterprise for the implementation of social projects).

2. Social investment is an investment that is aimed at implementation approved socially important social projects. That is, in this In this case, the market return on investment is not calculated, but taken into account possible social and environmental consequences.

SOCIALLY RESPONSIBLE

BEHAVIOR

SOCIALLY SIGNIFICANT

MARKETING

CORPORATE

VOLUNTEERING

EQUIVALENT

FINANCING

GRANTS

CHARITY

SOCIAL

INVESTMENTS

ELEMENTS

PROGRAMS

SWR

3. Grants - a form of targeted assistance provided by the company for implementation

specific social programs. In most cases, grants are related to the main activity of the enterprise, in particular, its strategic goals.

4. Equivalent funding - a form of targeted assistance, the content of which is joint financing of social programs by enterprises and bodies public administration and non-profit organizations.

5. Corporate volunteering - a type of assistance that involves voluntary participation of employees in activities for the benefit of local communities.

6. Socially significant marketing - a form of targeted financial assistance, which is to direct a percentage of sales of certain goods (works, services) for the implementation of social programs of the enterprise.

7. Socially responsible behavior - a form of enterprise activity, which provides for investment in various areas based on compliance with the rules of ethical conduct.

An important step in developing a CSR program is budgeting programs. The cost of implementing the program can be determined by two ways:

- 1) on a residual basis and be carried out depending on their availability;
- 2) become part of monthly or quarterly deductions.

The first method is less effective, because the company will be difficult to expect the results of CSR programs, as measures will be taken to be financed not on a permanent basis, but in fragments. Only strategic approach in the CSR program planning process will ensure a stable one results in this area of activity.

It is necessary to dwell on the question of determining the overall size CSR budget. In our opinion, the overall budget of the CSR program each enterprise must determine independently as a percentage of its volume net profit, which is allocated monthly for the implementation of CSR programs. So each enterprise must independently allocate the CSR budget to implementation of specific measures, taking into account certain conditions:

- the extent to which the activities planned in the framework of the CSR program are important for achieving the strategic goals of the enterprise;
- in accordance with the impact of these measures on all stakeholder groups;
- it is necessary to compare the costs of implementing individual measures with expected results.

At the final stage of this stage it is necessary to make a justification the size of the allocated budget and the distribution of costs for the implementation of specific measures.

No less important stage is the selection of responsible persons for implementation corporate social responsibility programs. Usually, almost all employees of the enterprise are responsible persons. But employees who are responsible for carrying out strategic planning on the company, in parallel, is developing a CSR program. Before implementation specific activities of the program should involve employees from different departments, depending on the content of the CSR program.

After the direct implementation of the program measures must be determined program effectiveness (by comparing effect and cost) and propose measures to improve the effectiveness of the program. Evaluation of the effectiveness of the CSR program should be based on the principle of comparing the cost-effectiveness of activities and the expected results from their implementation. As a rule, it is very difficult to accurately assess the effectiveness of CSR programs due to the following reasons:

- 1) the significant scale of the problem of social responsibility, which solves the company, necessitates the involvement of other organizations, which, as a result, complicates the measurement of the contribution of each of them;
- 2) completion of the implementation of the CSR program does not coincide in time with the solution of a certain problem of social responsibility;
- 3) it is necessary to take into account that each CSR program is related to the strategic goals of the enterprise. Therefore, it is necessary to determine the effect of the program not only for society in person stakeholders, but also for the company.

Corporate social responsibility programs can target both the company's internal and external environment.

Examples of internal programs are: occupational safety and health, social protection of employees, promoting the development of the company's staff, rational use of resources, waste recycling. Among external programs, the following were the most widespread: production of socially significant products and services; use of secondary raw materials in the technological cycle;

responsibility during advertising and marketing activities in the process of product promotion; interaction with the local council and the community on the development of the region; educational activities; support and active cooperation with socially responsible partners.

At the final stage of development and implementation of the CSR program, it is necessary to propose measures to increase the effectiveness of CSR programs.

With experience in implementing an element of the program, it is necessary to assess the possibilities for improving future programs and more efficient use of limited financial resources.

2.5. Social entrepreneurship.

The purpose of social entrepreneurship is:

- change the existing undesirable social status to a more desirable one
- solution of a social problem (in a broad sense) provides achieving a triple result - socio-ecological and economic effect.

In this case, economic efficiency is expressed in independence and profitability, social efficiency - in achieving social results, support local community, environmental efficiency - in the application of environmental materials, energy and resource saving programs; labor ecology.

At the present stage of development of social relations there are three main ones approaches to the definition of social entrepreneurship.

1. In the United States, social entrepreneurship is called entrepreneurial activities of non-profit organizations, the income from which is directed to realization of the statutory goals of the organization. The mission and statutory goals of such social enterprises aimed at solving social problems, the target group, for which the organization was created.

2. In European countries, social entrepreneurship is defined as business with a social mission. Unlike ordinary business, on the first place here is the social aspect, and then economic efficiency.

A feature of social enterprises in Europe is the collective form property and activities for the benefit of the local community. That is the subject social entrepreneurship here are business enterprises with social mission.

3. Used by international private and public funds created for the development and support of this area of socio-economic activity. Such well-known and effective foundations as the Schwab Foundation for Social Entrepreneurship (Switzerland), Skoll Foundation (USA) and Ashoka

Foundation (India) defines social entrepreneurship as innovative entrepreneurial activity for the purpose of social change in society. Activity such organizations aim to find social innovators around the world and creating favorable conditions for their work. Organizational and legal forms of business such enterprises include a range from the community initiative group,

private business or research institute Social entrepreneurship is an entrepreneurial activity that

aims at innovative socially positive change in society.

At a time when business is focused on creating financial profit, social entrepreneurs are engaged in increasing social capital.

As a rule, they are involved in such areas as education, environmental protection environment, poverty alleviation and human rights.

Characteristic features of social entrepreneurship are:

- the presence of a socially important mission performed by the organization;
- receiving income that is used to finance its activities;
- achieving a social effect to improve the quality of life target group;
- application of new, innovative approaches to the solution social problems.

Social organization in the process of its activities solves the triple task:

- a social problem that has not been resolved for some time due to limited access of a certain target group to financial and political resources to solve it;
- development and implementation of an innovative solution mechanism a social problem that violates the established but not fair state of affairs;
- freeing up resources for the target group that provides better the future not only for individuals but also for society as a whole.

The social entrepreneur singles out the problem facing part of the population resigned and perceived as a given for one reason or another and he develops and introduces a new way to solve the problem - in the form of a service or product.

Thus, social entrepreneurship allows for partial and dynamic solving acute problems of society.

Creating a social enterprise involves:

- definition of a clear and understandable mission of social orientation, which provides for the solution of certain social problems;
- application of business methods (organization, planning, control) with for profit;
- creation of a business organization on the basis of collective ownership, which includes founders, employees, target group, volunteers, etc.

Achieving the social effect of social enterprises occurs through:

- involvement of target groups in the production of goods or services (solving problems of resocialization, adaptation, employment, etc.);
- provision of quality services and goods to the representatives of the target group on preferential terms (thereby meeting their needs and improving quality life);
- carrying out business activities without involving the target group and directing the income from such activities to support a certain social missions;
- application of innovative approaches to solving social ones problems

Social entrepreneurship increases overall economic efficiency (national wealth) because it uses previously unused resources:

- work of socially limited groups;
- social resources (initiative, solidarity);
- non-traditional sources of energy supply, production waste, etc.

Lecture 3. Strategy of socially responsible behavior of the organization in the market environment.

3.1. Concepts of building a strategy of socially responsible behavior of the organization in a market environment.

3.2. Four models of behavior of the organization in relation to social responsibility.

3.3. Reasons for non-compliance with ethical principles of doing business. Tools for improving the ethical behavior of the organization.

3.4. The image of the organization as a basic component of socially responsible behavior of the organization. Requirements for a positive image of the organization. The process of image formation includes three stages. Methods of forming the image of the organization.

3.5. Components of internal and external corporate social responsibility. Financing of corporate social responsibility. Internal and external social environment of business. 6.4. Social partnership. Principles of cooperation with partners. Ensuring decent work in the system of corporate social responsibility (CSR).

3.6. Principles of social responsibility in relations with consumers. Stages of the process of forming a component of social responsibility in relations with consumers.

3.1. Concepts of building a strategy of socially responsible behavior of the organization in a market environment.

Reasons for non-compliance ethical principles maintenance business . Tools increase ethical behavior organizations . Image organization as a base component socially responsible behavior organizations . Requirements for a positive image organizations . Process formation image includes three stages . Methods formation image organizations . Ingredients internal and external corporate social responsibility . Financing corporate social responsibility . Internal and external social environment business . Social partnership. Principles cooperation with partners. Software worthy work in the system corporate social responsibility (CSR). International law regulation labor relationships based _ corporate social responsibility (CSR). Groups mechanisms implementation social partnership. Corporate citizenship . Labor practice relations through the prism of the concepts of CSR and corporate citizenship in Ukraine .

Attitudes towards social responsibility can be different : from favorable to the enemy .

In general exist four models behavior organizations of social responsibilities : counteraction , defense, adaptation and perception , each of which characterized by the transition from low to high equal social responsibility .

Functional orientation strategy counteraction is a deviation necessity application

socially responsible approaches to management business , defense - ads struggle from social responsibility , adaptation - perception social responsibility under pressure circumstances _ strategy - a manifestation initiatives for implementation socially responsible market behavior _ environment functioning enterprises .

The main arguments in favor construction for the enterprise strategy social responsibilities are:

- favorable long-term commercial perspectives ;
- changing needs and expectations different public groups ;
- involvement additional resources in the process granting assistance in solving social problems.

Classic concept construction strategy social responsibility business was offered Whale Davis in 1975 and covered five basic postulates :

1. social responsibility arises from public authorities , so for this purpose the authorities authorities have create conditions and demonstrate examples social responsibilities ;
2. business has act as a bilateral open system, ie on the one hand, take into account influence society and market signals , and on the other - to be open to their own operations for society ;
3. social costs should be analyzed in terms of legitimacy their attribution to cost making that or another product, providing services ;
4. social costs that are distributed for each product, service , activity , c final as a result are paid consumer ;
5. organizations, as well as public subjects are held accountable for the decision current social problems that are outside their usual spheres activities.

Analyzing activity many corporations , Keith Davis and others researchers arrived conclusion _ what social responsibility contributes development organizations , and vice versa , avoidance socially responsible approach to management business narrows opportunities to achieve success organizations .

The above interdependence became the basis for the formulation of the " iron law responsibility ", according to which in the long run perspective those who do not use available power in the direction that society considers as responsible , loses this one power .

Modern strategy socially responsible behavior organizations in the market environment based on philosophy general management quality . Philosophy general management quality formed by generalization experience the best enterprises and organizations from many countries the world , which are different hours sought own ways to permanent success . General management quality characterized by a set of fundamental concepts that _ implement her basic principles and provisions and are based on the best world practice activities business and government structures.

Basic postulates of philosophy general management quality is:

- result orientation ;

- concentration attention to consumers ;
- leadership and compliance goals ;
- base management _ processes and facts ;
- staff development and his involvement in improvement ;
- permanent learning , innovation and improvement ;
- partnership development ;
- responsibility to society .

Diversity fundamental concepts social responsibility business related from change views society of role in it business and includes concept economic responsibility , basic business strategy , responsibilities , " stakeholders " , corporate accountability , voluntary and concept proactivity .

Occurrence concept economic responsibility associated with transformation understanding

essence social responsibility . According to this concept social responsibility identified with the economic responsibility organization that provides effective business operations and support profitability . At the same time automatically with objectively existing market mechanism personal interests organizations become public . _ For this concept it is believed that exist only one social responsibility business - use your resource and engage activities aimed at increasing _ profit , provided that _ he adheres to rules of the game , ie participates in the open free competition without deception and fraud .

Concept basic business strategy assumes that _ business ca n't effectively to function

if society in which he carries out its activities , is characterized negative trends

development . According to this one concept social responsibility determined by a number of measures that carry out enterprises to maintain and expand this relationship . Provided _

success action business and others subjects society , adjustment these two players to each other

helps encourage a reciprocal atmosphere trust and predictability that contributes efficiency

activities organizations and raises economic , social and environmental welfare society in

general . Concept responsibilities assumes that _ efficiency activities organizations trace consider in two planes , ie considered as economic success and uneconomical criteria . For the purpose of

achievement high levels values non-economic criteria organization should follow the following responsibilities :

- economic , ie get sufficient level profit , provide products that satisfies buyers , create new working places and new material values for their own business and encourage innovations ;
- legal , ie follow requirements current regulations _ bases ,
- ethical , ie respect public rights and abide by public responsibilities , avoid harm and prevent task damage others .

The concept of " stakeholders " is based on the fact that many societies accept idea about availability in organizations social consciousness , which provides constant understanding leadership responsibility given organizations in relation to society . Regardless by type of activity organizations exist _ groups of people who affect the organization or on which influenced by the organization itself and which it is possible considered as such entrusted to the organization certain responsibility . Because some of these interested parties (employees , customers , shareholders ,

suppliers, local community, state and society as a whole) will have more impact than others, businesses need to understand and use actions of equal impact that they may carry out each of these groups interested persons.

Concept organizational accountability assumes that an organization in a certain way bears responsibility for the consequences of their own actions. For today basic means accountability organizations concerning their socially responsible behavior is creation transparency through reporting on non-financial activity and efficiency contacts with stakeholders.

Voluntary concept assumes that obligations it undertakes an organization over legal requirements or market mechanism, are useful for society and for her. At the same time it is important that organizations performed moral commitments and justified expectations public groups.

According to concept proactivity social responsibility is a means responding to challenges sustainable development. Organizations can make it "reactive" (approach based reactions) or

"Proactive" way (strategic approach), which systematically expands opportunities governance for the sustainable development. When based on reactions organizations perceive changes in the public development and social behavior as risks to which they respond with help special

tools. It is carried out in order to prevent problems that can harm their reputation or turn into a missed business opportunity. The choice of social responsibility strategy of the organization is largely determined applied ethical concept of management in the organization. At present, four have been formed modern ethical concepts of business: utilitarianism, respect for human rights, justice, a new model business.

Utilitarianism is based on the fact that "right" decisions bring the greatest benefit most people. An organization that adheres to this concept must first carefully study the effect of alternative solutions, taking into account the views of all stakeholders, and then do a choice that satisfies most people. The utilitarian concept is based on discovery the consequences of implementing decisions that should benefit the majority of stakeholders.

The concept of human rights is based on voluntary commitments organizations to protect the rights of others and to avoid any decisions that violate those rights. In this case, the organization will not force others to act contrary to their religious or ethical representation.

The concept of justice obliges managers of the organization to treat everyone equally people, to follow all the rules, to ensure equal rights in the distribution of goods, responsibility in compensating those who harm others.

According to the concept of a new business model, the organization is seen as an open system for which characterized by active interaction with government agencies in order to comply with public interests. At the same time, the priorities of the new business model are the balance of economic and social return on resources and ensuring the proper quality of life of stakeholders.

Ethical responsibility of business and its management mechanisms to society applies to the following areas:

- internal working conditions of employees (real income, recreational standards, advanced training and occupational safety);
- humanitarian indicators and programs in the field of activity of the organization (interaction with local budget for solving social problems);
- responsibility of the private sector for the growth of the national economy, social employment parameters, ecological living conditions.

The ethics of the organization's behavior in the market environment of its operation includes the following components:

- ethics of relations with consumers, based on the safety of goods, works and services provided organization; providing reliable information about the products and technology of its manufacture; right the buyer's choice of products; taking into account the requirements of consumers; sponsoring educational programs safe use of products; improving packaging and labeling; increase consumer product values; reduction of contamination of products; environment of the enterprise.

The main arguments in favor of building a social strategy for the company responsibilities are:

- favorable long-term commercial prospects;
- changing the needs and expectations of different social groups;
- Attracting additional resources in the process of providing assistance in solving social problems.

The classic concept of building a corporate social responsibility strategy was proposed by Keith Davis in 1975 and covered five basic postulates:

1. social responsibility arises from public authority, so for this purpose the authorities should create conditions and demonstrate examples of social responsibility;
2. business must act as a two-way open system, ie on the one hand, take into account the impact society and market signals, and on the other - to be open in their operations to society;
3. social costs should be analyzed in terms of the legitimacy of their attribution to the cost of manufacturing a product, providing services;
4. social costs allocated to each product, service, activity, c ultimately paid by the consumer;
5. organizations, as well as public entities, are held accountable for solving current ones social problems that are outside the usual spheres of their activity.

Analyzing the activities of many corporations, Keith Davis and other researchers concluded that social responsibility contributes to the development of organizations, and vice versa, social avoidance a responsible approach to doing business narrows the opportunities for organizations to succeed.

The above-mentioned interdependencies became the basis for the formulation of the “iron law responsibility”, according to which in the long run those who do not use the existing power in a direction that society sees as responsible, it loses this power.

Modern strategies of socially responsible behavior of the organization in a market environment based on the philosophy of total quality management. Philosophy of total quality management formed by summarizing the experience of the best companies and organizations from many countries around the world, who at different times sought their own paths to lasting success. Total quality management characterized by a set of fundamental concepts that implement its basic

principles and provisions and are based on the best world practice of business and government structures.

The basic postulates of the philosophy of total quality management are:

- result orientation;
- focus on consumers;
- leadership and compliance with goals;
- management based on processes and facts;
- staff development and involvement in improvement;
- continuous learning, innovation and improvement;
- partnership development;
- responsibility to society.

The variety of fundamental concepts of corporate social responsibility is related to changing society's views on the role of business in it and includes the concept of economic responsibilities, basic business strategy, responsibilities, stakeholders, corporate accountability, voluntary and the concept of proactivity.

The emergence of the concept of economic responsibility is associated with the transformation of understanding the essence of social responsibility. According to this concept, social responsibility identified with the economic responsibility of the organization, which provides for effective business operations and maintaining profitability. Thus automatically by means of objectively existing market mechanism, the personal interests of the organization are transformed into public. According to this concept it is believed that there is only one social responsibility of business - to use their resources and engage in activities aimed at increasing profits, provided that it is followed rules of the game, ie participates in open free competition without deception and fraud.

The concept of a basic business strategy assumes that a business cannot function effectively, if the society in which he operates is characterized by negative trends development. According to this concept, social responsibility is determined by a number of measures that carried out by enterprises to maintain and expand this relationship. Provided the success of business and other actors in society, the adjustment of these two players to each other helps foster an atmosphere of mutual trust and predictability that promotes efficiency activities of organizations and increases the economic, social and environmental well-being of society in general.

The concept of responsibilities implies that the effectiveness of organizations should be considered in two planes, ie to take into account both economic success and non-economic criteria. For the purpose of achieving high levels of non-economic criteria, the organization must adhere to the following responsibilities:

- economic, ie to obtain a sufficient level of profit, to provide products that satisfies customers, create new jobs and new material values for their business and encourage innovation;
- legal, ie comply with the requirements of the current regulatory framework,
- ethical, ie respect public rights and adhere to public duties, avoid harm and prevent harm to others.

The concept of " stakeholders " is based on the fact that many societies accept the idea of the presence of organizations of social consciousness, which requires a constant understanding of management responsibilities of this organization in relation to society. Regardless of the type of activity organizations, there are groups of people who influence the organization or who are influenced by the organization itself and which can be considered as imposing certain responsibilities on the organization. Because some of these stakeholders (employees, buyers, shareholders, suppliers, local community, the state and society as a whole) will have more influence than others, business must understand and take action on the level of influence that each of these stakeholder groups can have.

The concept of organizational accountability implies that organizations bear in a certain way responsibility for the consequences of their actions. Today the main means of accountability of organizations regarding their socially responsible behavior is to create transparency through reporting on non-financial activities and effectiveness of contacts with stakeholders.

The voluntary concept assumes that the commitments made by the organization are over the requirements of the law or the market mechanism are useful for both society and it. With it is important that organizations meet moral obligations and live up to expectations social groups.

According to the concept of proactivity , social responsibility is a means of responding to challenges sustainable development. Organizations can do this with a "reactive" (response-based approach) or " Proactive " way (strategic approach), which systematically expands the possibilities of governance for sustainable development. In the reaction-based approach, organizations perceive changes in society development and social behavior as risks to which they respond through special tools. This is done in order to prevent problems that could damage their reputation or turn into a missed business opportunity.

3.2. Four models of behavior of the organization in relation to social responsibility.

To date, four views on social justice have emerged:

- egalitarian ,
- utilitarian,
- Rawlsian
- market.

The egalitarian concept justifies a fair equalizer distribution of social benefits, ie when all members of society receive equal goods.

The Rawlsian concept outlines the need for income differentiation and in which relative economic inequality is permissible only when it contributes to a higher absolute standard of living for the poorest members of society.

The utilitarian concept stipulates that the main task of the state is to provide the greatest number of social benefits for the largest possible number of members of society. However, the functions of utility in different people are different, ie the ability to enjoy as a result of owning a number of benefits each person has their own, so get a bigger share social wealth has one who is more useful to society.

The market concept assumes that the income of each owner of the factor of production corresponds to the marginal product obtained from this factor .

Social justice is established by the market and its regulators. Thus, in this case, significant inequality in income distribution is acceptable.

The choice of principles of social justice in the redistribution of income is determined in each society in its own way, based on the developed national standards, formed during the entire previous historical development of the country.

parameters , ecological living conditions.

The ethics of the organization's behavior in the market environment of its operation includes the following components:

- ethics of relations with consumers, based on the safety of goods, works and services provided

organization; providing reliable information about the products and technology of its manufacture; right the buyer's choice of products; taking into account the requirements of consumers; sponsoring educational programs safe use of products; improving packaging and labeling; increase consumer product values; reduction of contamination of products.

In the ethics of consumer relations there are 4 basic tools for its implementation, in particular :

- ecologically balanced products, which provide for the production of goods or services, for which are characterized by minimal impact on the environment at each stage of its life cycle.

- Eco-labeling, which involves the labeling of products that have less impact on the environment than other similar products.

- social labeling, which involves the use of social signs that indicate no the fact that certain products were made in safe conditions and without the use of child labor.

- organic labeling, which assumes that in the process of manufacturing products artificial substitutes (synthetic fertilizers and pesticides and environmentally friendly agricultural technologies were used.

- ethics of relations with employees involves the use of such management tools in the practice of doing business, which ensures the absence of any discrimination in the field employment, provides for the special status of workers with disabilities, health care and safety of employees of the organization, their training and development, rehabilitation programs and stress management .

- environmental ethics involves the use of such a production process and management tools that avoid the adverse effects of the organization on natural environment and compliance with environmental standards through pollution control, environmental protection, conservation of natural resources and waste disposal.

- ethics of relations with partners includes compliance with contractual obligations and taking into account the interests of partners in doing business;

- ethics of relations with competitors includes the prevention of collusion in the markets, use of socially acceptable priorities and criteria for evaluation of competitive strategies,

exit from dubious markets when significant ethical issues arise;

- ethics of relations with society includes sponsoring social projects welfare, support of education and art, support of public recreational programs, participation in public works, projects;
- ethics of relations with the state includes compliance with legislation in the field of economic relations, drafting and timely submission to the special purpose of good faith reporting, avoidance of bribery in relations with civil servants;
- international ethics involves compliance with the implementation of production and management of ethical standards adopted in the world and taking into account the requirements of national culture and mentality.

The reasons for non-compliance with the ethical principles of doing business, as a rule, are:

- lack of legislative and regulatory framework;
- a significant amount of "shadow" economy;
- unfair competition;
- the desire to increase profitability, using all the tools to achieve this;
- lack of proper promotion of ethical behavior of managers;
- general decline in the role of ethics in society;
- a certain pressure on employees from the organization in order to find compromises between their values and senior management requirements;
- low moral qualities of members of society.

In order to increase the ethical behavior of the organization in its market environment operation, a number of the following tools are used:

- codes of ethics, which describe the general system of values, ethical rules they have adhere to the employees of the organization;
- ethics committees, which conduct daily evaluation of practice from the standpoint of ethical requirements. Some organizations instead of such committees, which include reputable employees, introduce the positions of ethics lawyer;
- social audits conducted to analyze and evaluate social reports and programs responsibilities of the organization;
- training in ethical behavior of managers and employees.

Dinka implies, among other things, a positive image of the company. The image of the organization is formed through special ways that are fundamentally different from those used by other public entities used by the organization for public remembering their activities. Each organization is reflected in the minds of others market participants, regardless of its behavior in the market. Therefore, the image as a subjective characteristic the activities of the organization are not selected, but only formed, adjusted and regulated for the purpose achieving a positive effect.

A positive image of the organization must meet the following requirements:

- adequacy, ie compliance with the real specifics of the organization;
- originality, ie a fundamental difference from the image of competing organizations;
- flexibility, ie the ability to seem unchanged for a long time with simultaneous adaptation to changing social requirements;

- have a specific addressee, ie be attractive to a specific public target audience.

The process of image formation includes three stages:

- achieving a high level of competence and effective work with the buyer;
- maintaining the image of a successful organization that builds customer confidence in the company;
- establishing an emotional connection with individual customers and society as a whole.

The method of forming the image of the organization includes the implementation of a number of steps:

- analysis of the environment of functioning of the organization and identification of target groups of the public impact;
- formation of a set of the most significant image- creating factors for each of the target groups social influence;
- development of a socially desirable image of the organization;
- assessment of the image of the organization in each of the target groups of the public;
- development and implementation of an action plan for the formation of a positive image of the organization in consciousness of target groups;
- control of the achieved results and, if necessary, correction of the plan.

The implementation of these steps in the internal management of the organization involves the creation basis of the image of the organization, its external and internal manifestations.

Creating a basis for the image of the organization involves the formation or revision of business principles, which would be implemented in the long-term objectives of the organization. For this purpose are formed rules or standards, the set of which is the code of ethics of the organization.

Drawing up a plan for external image involves the analysis of public preferences and their satisfaction through product quality, advertising, media relations and social activities in general.

When forming the internal component of the organization's image, it is necessary to financially plan the implementation of social initiatives, build a socially oriented personnel policy organizations, tools for motivating and stimulating employees.

The realization of the image of the organization is manifested at the socio-cultural, sectoral levels and level own brand. Socio-cultural level of the organization's image is manifested in the implementation of basic principles of activity. The industry level of image is significantly influenced by the reputation of the industry or field of activity where the company operates. The image of the organization's brand, which is manifested in the level of its quality and accessibility to consumers, largely determines the positive direction of the overall image of the organization.

3.3. Reasons for non-compliance with ethical principles of doing business. Tools for improving the ethical behavior of the organization.

The most important step in this direction can be considered the Declaration of Co - "Principles of Business" adopted in 1994 in the Swiss city of Co. The main principles of business in this document are the following.

Business responsibility: from the benefit of shareholders to the benefit of its main partners.

Economic and social impact of business: to progress, justice and the world community.

Business ethics: from the letter of the law to the spirit of trust. Respect for legal norms.

Support for multilateral trade relations. Caring for the environment.

Avoidance of illegal actions. Evidence that the world, despite its challenges, is moving towards a general, global ethic is evidenced by the documents of the First World Congress on Ethics, Business and Economics (Tokyo, 1996) and other international forums.

Every year the awareness of business ethics as a component of business culture in different countries of the world expands. Thus, in August 2000, Russia hosted a conference "Business and Culture of the World: Reputation of Domestic Entrepreneurship and the Image of Russia in the Third Millennium", which adopted "Principles of Doing Business in Russia". It states the most important of the following:

Profit is paramount. But honor is more precious than profit. Respect the participants in the common cause - this is the basis of relationships and self-esteem. Fulfill your business commitments.

Refrain from violence and threats as ways to achieve business goals. Always do business according to your means. Justify trust. It is the foundation of entrepreneurship and the key to success. Strive to gain a reputation as an honest, competent and decent partner. Be the way you want to see your best partner. Compete with dignity. Do not bring business disputes to court. The most reliable partner is the one who also wins all deals.

Obey current laws and respect the rule of law. To legally influence the government, unite with like-minded people on the basis of these principles. Do good not for profit and vanity. Do not demand unconditional public recognition for what you have done.

When doing business, at least, do not harm nature. Find the strength to fight crime and corruption. Make them unprofitable for everyone. Be tolerant of other cultures. They are not worse or better than us, they are just different. Ukrainian society is also moving towards defining and affirming the principles of business ethics, which, on the one hand, would absorb the best traditions of Ukrainian business culture, and on the other - the best norms of civilized business.

There are various barriers to understanding and even more so to adhering to ethical principles by Ukrainian businessmen:

Internal:

skeptical attitude to business ethics;

pessimism (you can't change anything here; we will steal and steal);

fatalism (evil is omnipotent, it wins always and everywhere);

shifting responsibility to others (I would be happy, but others...);

uncertainty in their moral consistency;

moral incontinence;

fear of becoming uncompetitive;

inflated self-esteem.

External:

laws, public opinion;
bribery of officials;
dishonesty of business partners;
use of force in relations with partners;
optional in business communications.

In the field of trade:

breach of payment obligations;
violation of delivery deadlines;
purchase and sale of goods with overdue sales;
unprofessional staff;
operations with contraband goods.

In the field of production:

production of low quality goods;
forgery of trademarks;
creation of front companies and transfer of funds.

In the field of finance:

delay in operations to "scroll" money;
dishonesty of staff;
disclosure of trade secrets, theft, conspiracy with competitors;
forgery of documents, etc.

Ukrainian scientists, politicians, businessmen are trying to find an answer to the question, what needs to be done to make ethical norms of business a reality? The results of sociological research show that the following steps are needed to establish ethical principles of doing business:

reasonable tax policy;
clear and stable legal regulation of the economy;
elimination of organized crime, corruption;
political stability;
professionalism of entrepreneurs;
equal conditions for all to do business;
formation of a positive image of an entrepreneur in society;
formation of corporate ethics of entrepreneurs;
learning the ethical foundations of business.

The degree to which partners adhere to ethical standards plays an important role in business. Without honesty and integrity in the system of relations between firms, banks and individuals, effective and long-term business activity is impossible. Without adherence to business protocol

and ethical norms, business, which in many cases is based on informal agreements, informal contacts, trust of partners to each other, is ineffective. Therefore, in his activities, the entrepreneur must be guided by established norms of behavior.

3.4. The image of the organization as a basic component of socially responsible behavior of the organization. Requirements for a positive image of the organization. The process of image formation includes three stages. Methods of forming the image of the organization.

The most effective indicator of the success of the enterprise, and as a consequence - an influential factor corporate social responsibility (CSR) is the rating indicator of the image.

After all, charity, patronage, sponsorship, additional social security employees, production of safe and quality goods (services), setting fair prices for products, ensuring environmentally friendly production process and other forms of corporate social responsibility significantly increase the rating, reputation of the company, effectively differentiate it from competitors. Corporate social responsibility is one of the most important tools to increase the company's capitalization, open access to a wide range of investment resources, prevent non-commercial risks, ensure sustainable development in three main areas - economic, social, environmental.

The formation of a positive image is the most important positive effect of implementation

socially responsible policy at the enterprise. Yes, according to a survey conducted Ukrainian Marketing Group for the Office of the United Nations System Coordinator in Ukraine, 77.8% of 1221

interviewed executives of domestic companies argue that the conduct of socially responsible

activities help to improve the reputation and form a positive image (Fig. 1). Second place among

The positive effects of CSR belong to the "advantage over competitors" (57.2% of companies), third place - "Improvement of financial indicators" (47.7% of companies), the fourth - "expansion of the market and finding new niches" (40.8% of companies).

There is a direct link between internal and external CSR programs and elements of internal and external image of the company.

The internal image of the company is formed in the presence of the following elements: financial planning; effective personnel policy; personnel planning; selection and hiring of workers; professional training, training and development of personnel; evaluation of staff performance; optimization of the number of employees; management of personnel costs; work on occupational safety and health;

ensuring proper social and living conditions for workers and workers; formation and management of corporate culture, corporate style, image of management and staff, etc.).

Internal CSR programs can be divided into three types:

1. Staff development (training courses, training and programs; comprehensive social packages; transparent motivation and career development programs).
2. Health care (observance of safety and sanitary and hygienic working conditions; medical service of employees at the enterprise).
3. Socio-cultural service (provision of housing; creation and support of own creative and scientific teams from among the workers; creation of a network of social institutions; formation of recreation programs for staff).

Regarding the external image of the company, its components are: product quality; advertising; social activities; environmental responsibility; social image; business reputation; the image of the entrepreneur as an employer of communication with the media; investor relations.

External CSR programs are conventionally divided into:

- environmental programs and product quality programs;
- educational programs and support of scientific research;
- programs for interaction with local governments;
- programs to support culture and art;
- philanthropic programs.

Forming a positive image of the enterprise, the following measures should be implemented: implement monitoring the expectations and needs of stakeholders of the enterprise, respond in a timely and voluntary manner to social problems of society, use socially responsible policies in business, improve the quality of management, use the latest technologies, expand the range of services, improve the quality of working life and improve the welfare of the population through CSR programs, bring information about the company to the audience through all channels marketing communications (with regard to CSR activity, today a very effective method of disclosing information on socially responsible activities is the annual social reporting), to improve relations between staff.

Image is an objective factor that plays an important role in the evaluation of the company, in its perception in the eyes of customers, employees and the manager himself. Right the formed image of the enterprise allows to control perception of its activity society and customers, strengthens competitive positions, promotes the successful operation of the enterprise in the future, increases popularity, which is reflected in the level of sales and facilitates the recognition of enterprise products in the market. The main tasks of the image are:

1. Improving the effectiveness of advertising and various measures to promote the product.
2. Facilitating the introduction of new products (services) to the market, because it is easier for a company with an established image to bring a product to market.
3. Improving the competitiveness of the firm, because in terms of equivalent goods, competition is conducted at the level of firm images.

The process of forming the image of the enterprise is a complex process that requires maximum attention and effort. An important condition creating an image is a clear understanding of the leader and personnel of the enterprise in the necessary importance of image creation.

The image has the following characteristics:

1. Adequacy, truthfulness - the created image must correspond to what is actually.
2. Image is a complex characteristic, not just a trademark, design or image that is easy to remember. This is a carefully crafted biography or history of the company. Because the consumer pays attention not only and not so much to the text and illustrations, but subconsciously he is interested in the qualities that form the individuality of the firm.
3. It is irrational, so it is perceived as an unalternative entity.
4. The image is dynamic and can change under the influence of circumstances and new information.

Image formation consists of the following stages.

At the first stage the analysis of the starting position of the level of support of the enterprise is carried out.

The image of the enterprise is assessed with the help of social research, for example, survey or questionnaire of clients, staff. It is very important to get the right information and analyze the correct data. The next stage is to develop a system of measures for positive image formation

enterprises, as well as a system of measures aimed at creating a positive image of the enterprise. It is necessary to make a plan to improve the positive image of the enterprise. This plan should include goals, missions, objectives, competitive advantages, corporate culture, market segments. When developing such a plan it is necessary to take into account consumers, partners, shareholders, staff and other stakeholders. The plan should include developments for innovations that the company can offer target audience, it can be additional service or new technologies in product development. It is also important to consider the internal image of the enterprise, in particular

improvement of personnel policy, formation of corporate culture, motivational policy. It is important to improve the external image - to achieve this is possible, for example, participating in exhibitions, fairs, through which you can promote your products, logo, company name and find new potential buyers and partners. The third stage - creating a system that promotes the program of positive image formation, is one of the most difficult tasks .

There are usually two main groups of methods that determine the most profitable for the company activities and the appropriate set of methods, techniques and technologies.

The first group - marketing methods. These include such events as the organization of direct sales, participation in specialized exhibitions and fairs, PR events, advertising, etc. Another group - organizational and economic methods. The fourth stage - is to regulate the system of measures to create a positive image of the enterprise. This stage takes a lot of time and effort. It is important to control implementation of the plan and the correctness of its implementation. This stage requires a strong team, who has the necessary knowledge and skills. With this the goal is to create an appropriate company of people who will be responsible for fulfillment of the goal set before them.

At the last stage there is a substantiation of decisions on activation of means and incentives for the formation of the image of the enterprise.

That is, after the fourth stage it is necessary to evaluate the image with the help of tools and tools that already exist in practice. If after the analysis of the received image the set purpose was not observed, it is necessary to return to the first stage. A positive image is created by the main activities of the company, as well as purposeful information work aimed at target audiences. Creation image of the enterprise in a market environment is based on a strategic approach, for through marketing communications.

The formation of the image depends on: the official policy of the enterprise, corporate advertising communication, corporate identity, corporate identity, product image, image of partners, visual aids.

The list of factors can be continued, for example, the image of the head, the image of staff and so on. Corporate identity of the enterprise is the main means of image formation. Visual means - design techniques of image formation, which include the creation of packaging, design of shop windows, offices, exhibitions, development of ad layouts. Verbal (verbal) means - a specially selected style, focused on the shortcomings of the consumer. PR-events - thought out, planned,

constant efforts to establish and strengthen mutual understanding between the company and the public. These are exhibitions, presentations, press conferences, sponsorship events. When conducting PR-events it is necessary that the specifics of the company correspond to the specifics

of the event. The attitude of the target groups to the conducted PR-actions, the scale of the audience of the sponsored action is very important. Also, when forming a positive image, it is important to take into account design, psychology, advertising, PR professionals, who as a result form the image in the eyes of the consumer, social sphere, public sphere, internal image of staff and image in business. A positive image of the company creates a social and economic effect. The economic effect makes it possible to get more high reward for the brand, the ability to expand market share, ie increase sales, and increases brand value. Social plays a very important role effect, which in turn has a fairly large impact on consumers who choose products or services of the enterprise. As the economic effect increases, the social effect increases, as the company has the opportunity to participate in charity events, sponsorships, philanthropy, social movements, environmental support and employment, which are very important issues today, this tool is quite popular in today's world and has significant effect in terms of brand advertising.

3.5. Components of internal and external corporate social responsibility. Financing of corporate social responsibility. Internal and external social environment of business.

Socially oriented business environment is a set of institutional prerequisites, factors, values and mechanisms of legal, political, economic, socio-cultural nature, which contribute to the implementation of socially responsible behavior of business entities and increase cohesion (strength and consolidation) of their relationships. public interest.

As a social institution, a socially oriented business environment is one of forms of organization, regulation and organization of public life and behavior of people in the economic sphere. As an economic institution, socially oriented the business environment appears in the form of rules and restrictions of economic behavior.

The institute of socially oriented business environment, based on the conceptual principles of institutional theory, should provide:

- hierarchical definition and structuring of formal (constitutions, laws, various officially established rules of law, judicial precedents, administrative acts) rules of observance of social orientation, cohesion and responsibility of business entities, as well as norms of formation of a certain level of social oriented business environment;
- consolidation of informal or conventional (contractual culture, systems values, voluntarily assumed norms of behavior, unwritten codes of honor, dignity, professional dedication, traditions, customs, mentality, various kind of social conventions, etc.) socially oriented norms of behavior between business entities that influence the economic behavior and development processes of any socio-economic system as a whole;
- development of mechanisms that would ensure compliance with both the rules of socially oriented activities and norms of socially responsible behavior in economic relations;
- spreading the notion in society that building economic relations should based on the social orientation (including social responsibility) of business, which forms a socially oriented business environment of the country with proof the need and benefits of its formation.

Formal and informal norms of the institute of socially oriented business environment are in close cooperation, and the level of correspondence between norms depends on the established socio-psychological climate and organizational culture in society, informal interpersonal relations, mentality of the nation and others.

It should be borne in mind that the introduction of new norms (or transplantation of norms of another economic system) the formation of socially oriented business environment may be positively perceived by some social and professional groups (mostly workers and vulnerable groups) and negatively by others (eg business owners introduction of measures that will forcibly

reduce part of their rent). However, there are other advantages for socially responsible business, which are the possibility of promoting them socially responsible behavior, image building and reputation building society, which will ultimately ensure the return of lost rents.

In the course of research of institute transplantation processes in institutional theory

the main types of transplant dysfunctions were identified: atrophy and degeneration of the institution, activation of alternative institutions and rejection, institutional conflict and the paradox of transmission. With regard to the institution of socially oriented business environment, the emergence of these dysfunctions leads to the creation of the following threats of socio-economic nature:

- norms of social responsibility and social cohesion of business, which have long been present in the economies of developed countries, incompatible with cultural traditions and recognized formal institutions of the domestic economy, which causes atrophy of their understanding;

- intensification of alternative norms for building a socially oriented business environment is associated with various evasions of accepted rules and principles, which can provoke so-called "institutional traps" (ineffective norm);

- rejection of a number of current norms of the socially oriented business environment is possible provided there is no demand for new formal rules,

which are established by the authorities and / or whose transplantation is compulsory. For example, increasing the tax liabilities of businesses without adequate substitution may provoke the transition of entrepreneurs into the shadows;

- the transfer paradox is that a donor (western developed country) that transfers its institutions effective in its environment can benefit from unpreparedness to this recipient (domestic economy). By accepting the imposed rules of the game, while rejecting its own valuable institutional norms, the domestic economy can lose in economic, social and spiritual terms.

Among the biggest obstacles to social responsibility The company's activities are called lack of funds (55% of respondents), insufficient legislative support for CSR (45.9%), the difficulty of controlling the target use of money (21.5%), lack of experience (18.1%), etc. .

The model of formation of socially-oriented business environment should include a system of mutually agreed cost-effective and socially oriented institutions with clear criteria of targets, which are the basis of the institutional mechanism.

Our proposed target model for the formation of a socially oriented business environment involves the allocation of five strategic targets, each of which also contains a list of tactical goals (Fig. 1). In particular, in order to achieve the strategic goal - "institutionalization of socially responsible business behavior" - first of all, it is necessary to conduct marketing research on the state of demand for social responsibility and its supply; study

opportunities to introduce international standards of corporate social policy and socially oriented management. It is necessary to clearly define the norms and rules, criteria and principles of socially responsible behavior, on the basis of which to replicate, promote and implement regulations in the field of social orientation of business.

Social cohesion of business as a strategic attribute of the formation of socially oriented business environment determines the degree of strength and consolidation of relationships of economic entities to solve social problems or the public interest. The initial prerequisite for social cohesion of economic entities at all levels of the hierarchy of the economic system is the thesis that the strategic goal itself has a powerful consolidating potential.

Ukraine is at the initial stage of forming an effective system of social cohesion of business. Social cohesion is realized largely through the institutionalization of the main mechanisms of mutual coordination of interests and strategic goals of the state, business and society: lobbying, social and public-private partnership, social marketing and others.

Taking into account the interests of all participants becomes a condition for the absorption of new social, environmental and managerial technologies, resolving conflicts of macro-, meso- and microeconomic interests in the domestic economic system and suspending the inertia of its development.

6.4. Social partnership. Principles of cooperation with partners. Ensuring decent work in the system of corporate social responsibility (CSR).

Social partnership is a system of relationships between employees, labor collectives, trade unions on the one hand, employers and their associations on the other, and the state and local governments on the third, their representatives and jointly established regulatory bodies. social and labor relations, which (relationships) consist of mutual consultations, negotiations and conciliation procedures on mutually agreed principles in order to respect the rights and interests of workers, employers and the state.

The essence of social partnership is that it is a specific type of social relations between different social groups, strata and classes that have significantly different socio-economic and political interests. These different interests may not be the same, but it is possible to combine them, to ensure a certain balance of their implementation. Social partnership is both the result and an active factor in the formation of civil society, in which various social groups, strata and classes with their specific interests create their own organizations, through which they form a stable social community that ensures social and political stability in society. Social partnership represents the rejection of any violent, revolutionary methods of resolving social contradictions and focusing on the evolutionary path of society. Social partnership denies the dictatorship of any person, group, class and approves the social contract, agreement between members of society as the basis for the optimal realization of the rights and interests of various social groups, strata, classes. Social partnership has a well-defined social purpose: the creation and operation of certain bodies, the implementation of humanistic ideas and principles of regulation of social and labor relations, development, adoption and implementation of specific mutually beneficial decisions. The social purpose of social partnership is also to put into practice a coherent socially oriented policy, to promote the settlement of social conflicts, to overcome crises, and ultimately to increase the quality of life of citizens in the broadest sense. Formation and development of social partnership is ensured by creating a system of social partnership, which is a complex and dynamic formation of structural and organizational elements (subjects, subject, regulatory support), forms, ideology, culture, principles, methods, tools, tactics, technologies relationships united by a certain mechanism.

This system is constantly under the influence, on the one hand, the regulatory influence of the social system, and, on the other hand - the influence of natural factors of social life.

Social partnership is carried out at different levels: international (megaeconomic), national (macroeconomic), sectoral and regional (mesoeconomic), industrial (microeconomic). The subjects of social partnership, as well as the subjects of social and labor relations, are employees, labor collectives, trade unions - on the one hand, employers and their associations - on the other, and the state and local governments - on the third, as well as their representatives and jointly established bodies for the regulation of social and labor relations. At the international (megaeconomic) level, the subjects of social partnership are individual states and international organizations. The object (subject) of social partnership is a coordinated social and labor policy, which at different levels has its own specific content.

Social partnership is implemented through a system of mutual consultations, negotiations, agreements at the state, sectoral, territorial levels, concluding collective agreements at enterprises or their divisions, concluding individual employment contracts between employer and employee, as well as through a system of labor disputes, coordination and protection of interests. parties.

Therefore, in order to successfully perform its social functions, the social partnership system must include the following elements.

- A set of permanent and temporary bilateral, tripartite and multilateral bodies formed by representatives of employees and employers, as well as the executive and interact between them at different levels of regulation of socio-economic relations (national, regional, sectoral, enterprise and their units);
- A set of various joint documents (collective agreements, agreements, decisions, resolutions, etc.), which are approved by these bodies on the basis of mutual consultations, negotiations between stakeholders and accepted by them for implementation;
- Relevant culture, traditions, forms of interaction, the ratio of these bodies and the order, sequence of development and implementation, priority of documents adopted by them.

The spread of its culture and ideology is of fundamental importance for the real spread of social partnership in the country. The ideology of social partnership is based on the recognition of: the inevitability and necessity of peaceful coexistence in society of different social groups with their specific, often conflicting interests; objectivity of manifestation and conflict of interests, struggle between social groups; opportunities to wage this struggle in civilized forms and to achieve its constructive completion in the form of a mutually acceptable compromise that meets the long-term goals of social progress.

The role of social partnership in the functioning of civil society and the market economy is multifaceted. In countries with a socially oriented market economy, social partnership is:

- Organizational and economic lever to increase production efficiency, which, in turn, becomes a powerful factor in increasing social guarantees and accelerating the accumulation of capital, which is an important task of social partnership - the interests of the parties;
- An element of the mechanism of building a socially oriented market economy, which on the basis of concerted action to realize the interests of each entity sets the optimal parameters of the processes of social development and capital accumulation;
- Organizational, economic and legal basis for the protection of the interests of all subjects of social partnership;
- A factor in the formation of socially responsible policy, which provides for various forms of liability: expression of distrust of the authorized person, dismissal, compensation for damages, etc. for non-compliance with the terms of the agreement;
- Organizational principle of harmonization of property relations, which by agreement of partners determines the equivalent conditions for creating added value in labor markets, natural resources and capital through the coordination of wage policies, prices, taxes, etc. In Ukraine, due to the specific tasks of the transition period, social partnership performs not only the above traditional functions, but also specific tasks. Among them, the most relevant are the following:
- Involvement of all subjects of social partnership in the management and overcoming on this basis the monopoly in the distribution of the newly created product;
- Strengthening the motivation to work, including entrepreneurial activity, to achieve high results, production efficiency as a necessary condition for improving the quality of life and economic development of the enterprise;

- Elimination of misunderstandings and contradictions regarding the intentions that reflect the legitimate interests of each party;
- Achieving mutual desire to implement the planned programs, promoting the establishment of social harmony in society.

In the process of implementing these tasks in Ukraine, the following urgent problems must be solved: the formation of new labor and entrepreneurial motivation of the subjects of social partnership, which meets the requirements of market competition; establishment of social and labor relations that recognize the equality of all types of property and all economic factors (human capital, physical capital, natural resources) and establish non-discriminatory conditions for the formation of their value and price; elimination of factors of economic tension in society and, as a result, reduction of negative socio-economic consequences; creating conditions for the gradual formation of an effective owner of all economic factors.

Lecture 4. Analysis of foreign and domestic practice of corporate social responsibility of business.

- 4.1. Analysis of state regulation of corporate social responsibility of business.**
- 4.2. Basic business models of social responsibility. Anglo-Saxon business model. Continental business model. Comparative analysis of corporate social responsibility of business.**
- 4.3. Assessment of social responsibility at the macro level.**
- 4.4. External and internal factors of social responsibility development in Ukraine. Reporting on corporate social responsibility.**
- 4.5. Criteria for the effectiveness of corporate social responsibility. Intensification of enterprises' activities for the development of socially responsible business. State regulation of corporate social responsibility of business.**

4.1. Analysis of state regulation of corporate social responsibility of business.

4.5. State regulation of CSR relations at the supranational level is carried out by the European Union, which considers CSR in the framework of social cohesion policy. The EU's experience in promoting CSR includes several stages.

The main stages of state regulation of CSR relations.

Year	The main stages
1995	Establishment of the "Social Platform" organization, the main purpose of which is to form a comprehensively developed society and develop the social dimension of

	the European Union with 40 European non-profit organizations, federations and networks
1 996	Establishment of the European CSR Network ^[2] aimed at including the issue of CSR in the political and business agenda in all European countries of more than 60 multinational companies
2000	Establishment of a CSR unit in the European Commission
+2002	Publication of the first CSR Communiqué "Corporate Social Responsibility: The Contribution of Business to Sustainable Development"
+2006	Publication of the second CSR Communiqué "Creating a Commonwealth for Growth and Jobs: Making Europe a Pole of Corporate Social Responsibility"
Present	Inclusion of CSR in the list of priority areas

Classification of national CSR policies^[4]

Model	Characteristic	Countries
Affiliate	A partnership strategy supported by all sectors in response to social challenges, including employment	Denmark, Finland, the Netherlands, Sweden
Business in society	Soft intervention policy to encourage businesses to participate in solving state problems (entrepreneurship and voluntary services)	Ireland, Great Britain
Sustainability and citizenship	Improved version of the existing social contract with an emphasis on sustainable development strategy	Germany, Austria, Belgium, Luxembourg, France
Agora (meeting place)	Achieving public consensus on CSR, setting up groups to discuss the interests of key stakeholders in the dialogue	Italy, Spain, Greece, Portugal

In world practice, there are three groups of instruments of national CSR policy that contribute to:

- dissemination (promotion) of the CSR concept;
- ensuring transparency of companies in the field of CSR;
- implementation of public policies that have a positive impact on CSR.

The results of the comparison of national CSR policies in the European Union (EU) countries by groups of instruments used are presented in the table.

Among EU member states, Lithuania and Luxembourg use tools to promote the concept of CSR in the national policy of the National Assembly, while the Czech Republic, Denmark, Poland and the Netherlands practice the dissemination of the concept of CSR.

Comparison of the used instruments of national policies of the EU countries that contribute to the spread of the concept of KCO^[6]

Country	CSR dissemination tools used				
	Awareness raising	Research	DPP	Business promotion (awards)	Management
Austria	+	+	-	+	+
Belgium	+	-	-	-	-
Czech Republic	+	-	+	+	-
Denmark	+	+	+	+	-
Finland	+	-	-	+	-
France	+	-	+	-	-
Germany	+	-	+	+	-
Greece	-	+	-	-	+
Hungary	-	+	-	+	-
Ireland	-	-	+	+	+
Italy	+	-	-	+	-

Latvia	+	+	-	+	-
Lithuania	-	-	-	-	-
Luxembourg	-	-	-	-	-
Poland	+	+	+	+	+
Portugal	-	-	-	+	-
Spain	+	-	-	+	+
Sweden	+	-	-	+	-
Netherlands	+	+	+	+	-
Great Britain	+	+	+	-	+

Comparison of the used instruments of national policies of the EU countries that promote transparency of companies in the field of CSR^[7]

Country	Tools				
	Code	Reporting	Label	SOI ^[8]	Advertising
Austria	+	+	+	+	+
Belgium	-	-	+	+	+
Czech Republic	+	-	-	-	-
Denmark	-	+	+	-	-
Finland	-	-	-	-	-
France	-	+	-	+	-

Germany	+	-	-	+	-
Greece	-	-	-	-	-
Hungary	-	-	-	+	-
Ireland	-	-	+	-	+
Italy	-	-	+	-	-
Latvia	-	-	-	-	-
Lithuania	-	-	-	-	-
Luxembourg	-	-	-	-	-
Poland	-	-	-	-	-
Portugal	-	+	+	-	-
Spain	+	-	-	+	+
Sweden	-	+	-	+	-
Netherlands	-	+	-	+	-
Great Britain	+	+	+	+	-

Greece, Hungary, Latvia, Lithuania and Luxembourg do not have in their arsenal of national policy tools that promote information transparency of CSR companies. Two-thirds of EU countries do not require CSR reporting at the state level. Social investment is developed only in Austria, Belgium, Ireland and Spain.

Table 4.7

Comparison of existing EU policies that have a positive impact on CSR^[2]

Countries	Policies used
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	Sustainable development	Social	Ecological	Public procurement	Export	Others
Austria	+	-	-	-	+	+
Belgium	+	-	-	+	+	+
Czech Republic	+	-	+	+	+	+
Denmark	-	-	-	+	+	+
Finland	-	-	-	-	+	-
France	+	+	-	+	+	-
Germany	+	+	+	-	+	+
Greece	-	-	-	-	-	-
Hungary	-	+	-		-	+
Ireland	+		+		-	+
Italy	-	-	-	+	-	-
Latvia	+	-	+	-	+	-
Lithuania	-	-	-	+	+	+
Luxembourg	-	-	-	-	-	-
Poland	+	-	-	-	+	+
Portugal	-	-	-	-	-	-
Spain	-	-	-	-	-	+

Sweden	-	-	+	+	+	+
Netherlands	-	-	-	-	+	+
Great Britain	-	-	-	+	+	-

The most favorable situation in terms of CSR-based public policy development is in the Czech Republic, Germany and France.

4.2. Basic business models of social responsibility. Anglo-Saxon business model. Continental business model. Comparative analysis of corporate social responsibility of business.

The concepts of social responsibility are implemented in the following two models:

- the global model of corporate social responsibility is based on ethical behavior and voluntary initiative of global corporations, provides for the practice of improving working conditions, environmental management, development of community development projects;
- The geographical model of corporate social responsibility is described by three theories (American, European and mixed).

Thus, the geographical model of social responsibility is revealed in the following theories:

- theory of corporate selfishness - "American model of social responsibility";
- theory of corporate altruism - "European model of social responsibility";
- the theory of reasonable selfishness - "mixed model of social responsibility or model of corporate social responsibility".

The theory of corporate selfishness suggests that the only responsibility of business is to increase profits for its shareholders. Nobel laureate M. Friedman formulated the essence of this theory as follows: "There is one and only one social responsibility of business: to use their resources and energy in actions that lead to increased profits, while it is done within the rules of the game." From the standpoint of this theory, being socially responsible means paying taxes and obeying laws. "Few things can threaten the very foundations of our free society as the consent of corporate leaders to take on other social responsibilities than those of making money for their shareholders," Friedman said.

This theory is considered to be the so-called "American model of social responsibility", which assumes that for a modern company it is enough that its activities are consistent with the general principles of environmental protection, health and safety, and business responsibility to society is limited to job creation and efficiency of their use through the formation of working conditions. Paying decent wages to employees and high taxes to the state and local governments is a social responsibility of business, and all other social programs should not be related to business, as it will only lead to extra costs, reduced profits and, consequently, taxes.

According to the theory of corporate altruism, paying taxes and complying with legal requirements is the minimum, and corporations are obliged to make a significant contribution to improving the quality of life in society. In the EU, social responsibility is understood as the stable development

of an enterprise, combined with the production of quality goods and services, as well as improving the situation on the labor market. This position was formulated quite clearly by the American entrepreneur, co-founder of Hewlett-Packard Corporation, trustee of several charitable foundations D. Packard: "Many people mistakenly believe that the purpose of any company is to make money. However, despite the fact that money is an important result work, we came to the conclusion that a group of people becomes what we call a company in order to be able to collectively do what individuals cannot do,

Proponents of this theory are inclined to the model of corporate social responsibility ("European model of social responsibility"), which provides for the transfer of special taxes and payments to businesses, and the state and local governments should use these programs to implement social programs. The purpose of the state and local governments is to ensure the right to basic social guarantees in kind and in monetary terms - remittances, especially for low-income groups that provide a "normal" standard of living. Western European societies have well-developed financial assistance systems, but their coverage and size vary considerably. Only in some European countries has a system of state-supported social services been formed to the extent observed in the Scandinavian countries (Sweden,

At the same time, it is noteworthy that if European business considers the state as an institution that must comply with these rules

behavior, American entrepreneurs see such state intervention as a violation of business freedom.

Social responsibility in European countries: in some countries it is exclusively an initiative of companies, and in others it is an important part of public activities. Each country develops its own national model of corporate social responsibility (Table 1.4). In the Netherlands, such a model is based on maximum government support, encouraging innovation, and integration with the company's internal and external structures. In Denmark, corporate social responsibility is seen as a means to increase the competitiveness of businesses in both domestic and international markets. In Germany, special attention is paid to the development of an effective institutional network, where each institution performs a specific function and the system as a whole provides a synergistic effect.

National models of corporate social responsibility

Varieties of the European model of social responsibility	Place of distribution	Characteristic
First	Central European countries: Austria, Germany, France	A feature is the state's intervention in social and labor relations under the autonomy of entrepreneurs and trade unions
Second	Nordic countries: Belgium, Norway, Sweden	Characterized by the active participation of the state in the regulation of social and labor relations at all three levels
Third	Great Britain, partly Ireland	A characteristic combination of elements of the American and continental models

The theory of reasonable selfishness emphasizes that corporate social responsibility is simply "good business" that reduces long-term loss of profits. By spending money on social and philanthropic programs, the corporation reduces its current profits, but in the long run creates a favorable social environment and, consequently, sustainable profits. Socially responsible behavior is an opportunity for a corporation to realize its basic needs for survival, security and stability. This theory is considered to be the so-called "mixed model of social responsibility" or the model of "corporate social responsibility" (CSR), according to which business responsibility extends to: working conditions, wages, dividends to shareholders, quality products and services, environmental protection environment, employment in a particular region, implementation of social projects and initiatives of the population of this region. Business responsibility related to the implementation of regional social problems is exercised through competitive grants together with local self-government. Corporate activity is usually governed by the norms, standards and laws of the respective states. For example, in many European countries, compulsory health insurance, pension regulation, and environmental protection of enterprises are enshrined in law. In Japan and South Korea, for example, CSR in the form of a business-for-all model has become quite common. implementation of social projects and initiatives of the population of this region. Business responsibility related to the implementation of regional social problems is exercised through competitive grants together with local self-government. Corporate activity is usually governed by the norms, standards and laws of the respective states. For example, in many European countries, compulsory health insurance, pension regulation, and environmental protection of enterprises are enshrined in law. In Japan and South Korea, for example, CSR in the form of a business-for-all model has become quite common. implementation of social projects and initiatives of the population of this region. Business responsibility related to the implementation of regional social problems is exercised through competitive grants together with local self-government. Corporate activity is usually governed by the norms, standards and laws of the respective states. For example, in many European countries, compulsory health insurance, pension regulation, and environmental protection of enterprises are enshrined in law. In Japan and South Korea, for example, CSR in the form of a business-for-all model has become quite common. related to the implementation of regional social problems, is carried out through competitive grants together with local governments. Corporate activity is usually governed by the norms, standards and laws of the respective states. For example, in many European countries, compulsory health insurance, pension regulation, and environmental protection of enterprises are enshrined in law. In Japan and South Korea, for example, CSR in the form of a business-for-all model has become quite common. standards and laws of the respective states. For example, in many European countries, compulsory health insurance, pension regulation, and environmental protection of enterprises are enshrined in law. In Japan and South Korea, for example, CSR in the form of a business-for-all model has become quite common. standards and laws of the respective states. For example, in many European countries, compulsory health insurance, pension regulation, and environmental protection of enterprises are enshrined in law. In Japan and South Korea, for example, CSR in the form of a business-for-all model has become quite common.

Table 4.5

Comparative characteristics of models of social responsibility

Sign comparison	American model	European model	Asian (Japanese) model
1	2	3	4
Specifics social responsibility	Tends to philanthropy	It is directly related to business and is formalized in the form of a strategy	Focuses on the cultural traditions of the country
Sphere application	Any. Funding for social programs is through non-profit organizations or directly	The scope is limited by values and strategy	"Production family" - all employees of the company
Rights regulation	Application of the principles of case law	Codification legislation	Not provided at the legislative level. Regulated by internal corporate directives
Target landmark	CSR is a company's choice related to its reputation	CSR is a voluntary choice of a company to do more than established	CSR - implementation of tasks and goals within the institute of "lifelong employment"
The connection of the business entity with its social projects	Provides a minimal connection - the smaller the connection between business and social project, the better	Close connection, ie activities related to the development of the company	Close ties, the company supports its employees throughout their lives
The role of the state in regulating CSR processes	Practically absent, it assumes that companies independently determine the need and degree of influence on solving society's problems	State regulation is significant, the list of programs is enshrined in law	Active role of the state, especially in strategic business planning

Kind responsibility	Individual	Collective solidarity	Collective
Stakeholder relations	The ethics of relations with stakeholders is a means of fully satisfying the interests of owners	Equal treatment of all stakeholders	Equal treatment of all, but the greatest attention is paid to the "working family"

Thus, implementing social programs, business seeks, on the one hand, to rehabilitate in the eyes of society, and on the other hand, hopes to improve its image, strengthen the reputation of brands, increase product competitiveness and profits. That is, businesses need to position themselves as socially responsible, taking into account the logic of market relations to ensure efficient and profitable business. By reducing its current profits, the corporation creates a favorable social environment in the long run, and thus provides a sustainable opportunity to make a profit.

4.3. Assessment of social responsibility at the macro level.

In the International Standard ISO 26000 "Guidelines for Social Responsibility" basic

The principles of social responsibility are: accountability, transparency, ethical behavior, interaction with stakeholders, compliance with norms (legal and international) and human rights. The implementation of such principles of activity in business practice involves assessing both the effectiveness of social activities and their impact on economic performance, as well as the evaluation of social investment.

Since the standard ISO 26000: 2010 "Guidelines for Social Responsibility" is implemented in our economic practice, it is recommended to start assessing the internal environment social responsibility for the allocation of 7 main areas presented in the standard:

organizational management; Human Rights; labor practices; environment; conscientious business practices; consumer problems; participation in the life of communities and their development. Therefore, these areas of social relations require the introduction of methods for their analysis and evaluation of the level of efficiency or effectiveness.

List of quantitative indicators for the evaluation of SVP at the micro level Indicators of measurement of the internal environment Indicators of measurement of the external environment Index of specific social investment (IL) (in monetary units): $IL = CI / LI$, where CI—the amount of social investment; LI—average number of employees. Complex index KI: $KI = (VP + SI + SV) / PV$, where VP—taxes paid; SI—investment in human capital; CB—social expenditures; PV—production costs. Share of social investment in total sales (IS), measured as a percentage: $IS = CI / S$, where S—sales volume. Indicator of perspective development: $IPR = (SI + SV) / PR$, where PR is net profit. Share of social investment in total income (IP), measured as a percentage: $IP = CI / PR$ Social expenditure indicator: $ICV = SV / PR$

A feature of assessing the effectiveness of social responsibility is the low level of manufacturability of management in this area. The development of an assessment of the effectiveness of social technologies, despite all their diversity and diversity of social investment, lags far behind the demands of practice. Tasks of management technology, including in the social sphere, have become more acute in Russia in connection with the transition to the market, privatization of property, involvement of employees (owners, employees) in the management decision-making process. The realities of the Russian economy (activation of public opinion,

democratization, national labor conflicts) require socio-psychological equipment of management positions. At the same time, the traditional description and explanation of one or another social phenomenon is insufficient. It is necessary to model and design social processes, development of social management technologies at the organizational level. Social programs (projects) help to determine the optimal ratio of strategic and tactical tasks to improve the management of the organization.

Signs of technologicalization are the delimitation, division, division of the social process into stages (phases, operations), control of the ambiguity of procedures and operations. Technologization of management of social processes allows to solve the following tasks:

- to record the composition of the optimally necessary operations (procedures) that ensure the regulation of social processes;
- ensure standardization of the management process;
- determine the forms of combining the actions of customers and contractors;
- determine the limits of action of performers;
- create conditions for openness (awareness) in the interactions of executors of social projects;
- measure and determine the mechanisms of behavior of participants;
- determine assessments of the sustainability and effectiveness of social processes.

The result of the implementation of social programs are:

- positive impact on the consumer market (promoting the development of local sports teams, participation in the support of gifted children, assistance to shelters) attracts consumers of goods of this company;
- positive impact on share capital (shares of a firm with stable social activity find their owners faster, which leads to an increase in the company's capitalization);
- attracting highly professional specialists to work for the company (usually a company with external social programs pursues a stable internal social policy);
- creating a positive sustainable reputation of the company in society (especially at the local community level, and in the case of large-scale social programs - at the national and international levels), etc.

There is another point of view on the interaction of organizations in the processes of their life, when they are seen as the connection of many organizations at different levels of the hierarchy. In this case, each of the organizations (subjects of life) is part of the other, functionally related to it. The function of social responsibility becomes an integral activity of each of the SES (organizations), filling all their living space. Thus, it is a distributed function and requires corporate efforts for its effective implementation.

The current practice of assessing corporate social responsibility in Russia is as follows (according to a survey of directors):

- business representatives are aware of the need for social activity of companies, many of them are willing to invest in it;
- the main goal of charitable activities, company managers see the improvement of the company's image;

- charitable activities in Russia are generally unsystematic (decisions on the allocation of funds are made on the basis of personal preferences of the first leaders of the company, charity is not consistent with the company's strategy);
- due to distrust of non-profit intermediary organizations, direct support of one-time measures is mainly practiced, which does not allow to create an effective infrastructure of the market of social projects;
- Charitable activity in Russia is actively developing, but its development is possible only if corporations are aware of their own benefits from charitable activities and the development of the institution of independent charitable organizations.

New challenges of globalization in the world economy force us to look for ways to form a new economic order, mechanisms and rules of economic cooperation aimed at humanizing international economic relations. Decision-making in the face of complex global problems is possible with the participation of international structures at the multilateral level within the United Nations and other regional international organizations, as other permanent intergovernmental mechanisms do not exist in the world today.

There are three most popular methodologies in the world of measuring the performance of organizations used in various sectors of the economy:

- 1) on the basis of "functional-cost analysis" (FVA);
- 2) on the basis of a "balanced scorecard";
- 3) on the basis of "economic added value" (EMC).

Criteria for evaluating the effectiveness of the corporation includes the following elements: leadership, strategy, customers, information, business results.

In the methodology of assessing the economic potential of corporations, an approach based on the systematization of the structure of society by the following components: the state of society, the state of the economy, the state of technology. The state of society can be socialist, individualistic and static. The state of the economy is determined by the motivation of economic behavior and economic ethics. The state of the art is represented by either traditional-experimental or empirical-scientific nature of activity.

The diversity of relations between government, business and society gives rise to a variety of models of their formalization (network, cluster, corporate), the criterion for the functioning of which is to achieve a balance of interests of participants and obtain the expected effects.

The development of public-private partnerships in the field of innovation, especially breakthrough technologies (nanotechnologies), helps to unite on an equal basis the efforts of business and government in solving the problem of social responsibility. Society and society should behave socially and responsibly in matters of a healthy lifestyle, family, spiritual upbringing of the generation, the use of national traditions and current legislation in everyday practice. Criteria for regulating these interactions can be assessments of the economic potential of social responsibility relations.

The considered assessments of social responsibility, which are observed in the practice of Russian management, make it possible to determine only the qualitative characteristics of social responsibility relations and their potential. The need for analytical assessments of relations of this kind has led to the application of an empirical approach. Its essence is to test the sensitivity of the corporation to regulatory influences of a social nature. Analyzing the system's responses, decision-makers (ADOs) look for the most effective ways to influence, according to subjectively accepted management criteria.

Public promotion of projects causes the irreversibility of the initiatives of organizations. Criteria for the implementation of social responsibility projects of organizations are assessments of the real state of the created objects (measures), taking into account the iterative adjustment of the interaction of organizations - participants in projects and changes in the structure of their internal capabilities and needs.

Assessment of the economic potential of corporate social responsibility can be carried out on the aggregate integrated characteristics of the participants in this activity as a homogeneous (isomorphic) set of SES (for example, the industry of the national economy, the region). These characteristics include: the structure and dynamics of budgets of social programs of corporations (regions, federations), including by industry; Depending on the budgets of different levels in all areas of social programs; Depending on the growth rate of social benefits by industry on the level of wages; integrative assessments of social responsibility by a group of corporate organizations.

The offered characteristics are focused on achievement of the quantitatively proved result of an estimation of economic potential of the CSR relations in the directions:

- capacity structures;
- dynamics of potential realization;
- reproducibility (viability) of the potential;
- functional efficiency of potential in differentiated by areas (industries) activities in the social sphere and in an integrative form.

The result that characterizes the economic potential of corporate social responsibility of the organization (EP) may be an increase in own funds of organizations, which is formed under the influence of financial investments at the national and federal levels. The measure of the economic potential of corporate social responsibility is presented in the form of dependence:

$$EP = DSSDFB + PR + MR),$$

where DSS - increase in own funds of commercial organizations for social projects;

FB, RB, MB - budget funds (federal, republican and municipal).

The result of the assessment allows us to identify the causes of trends in social responsibility by corporations and governments at the regional and federal levels. Inefficient use of investment funds is reflected in their cost, not in the reproductive use ("eating" of funds), not in the creation of active and competitive business centers, and in social current costs.

The lack of growth of own funds in the implementation of social projects of corporations reflects the insufficient level of organization of their implementation. As a result of such effects, it is necessary to target financial resources for the implementation of social projects, strengthening control over their use for their intended purpose. Accompanying measures are: formation of business plans for social projects, determination of requirements for specialists of the organization, implementation of training and hiring programs, involvement of donor companies, provision of loan guarantees, development of innovative corporate development strategy, preparation and implementation of preventive anti-crisis measures, infrastructure development, implementation of parametric analysis of the state of corporations over long periods of their development.

4.4. External and internal factors of social responsibility development in Ukraine. Reporting on corporate social responsibility.

A number of external factors contribute to the development of social responsibility in Ukraine. Today, CSR is supported not only by companies in different countries, but also by international organizations, the United Nations Global Compact, the International Labor Organization, the United Nations Children's Fund (UNICEF), the United Nations Industrial Development Organization, the Council of Europe, the European Quality Organization.

(International Organization for Standardization) and governments of different countries (Denmark, Norway, Slovakia, Germany, Macedonia, France, Great Britain).

According to the European Commission (European Union Strategy for Corporate Social Responsibility for 2011 - 2014 pp., 2011), corporate social responsibility (CSR) is "the responsibility of enterprises for their impact on society".

CSR is widespread in European countries. In some countries it is integrated into public policy (Denmark, France, Finland, Sweden), in others it is the exclusive prerogative of companies (Greece, Ireland, the Netherlands, Slovenia).

In the European Union, the main role of CSR is to support the sustainable development of companies, which contributes to improving the situation on the labor market, as well as the quality of products and services (European Commission Communication, 2006).

Since November 2007, Ukraine has joined the work of an international group of experts on the development of the draft international standard ISO 26000 "Guidelines for Social Responsibility". In 2010, Ukraine, together with many other countries around the world, supported the adoption of the international standard ISO 26000 "Guidelines for Social Responsibility". Since 2006, Ukraine has a local network of the Global Compact and unites more than 160 participants - from large international and Ukrainian companies to medium and small enterprises, as well as non-governmental organizations, academic institutions, business associations and more.

The Global Compact is based on 10 principles in the areas of human rights, labor relations, the environment and anti-corruption, which are a kind of code of ethical corporate conduct and compliance with which is mandatory for participants. Despite the voluntary participation, the requirement for companies is to provide annual reports on the implementation of the principles of the Global Compact in their daily activities. In the 10 years of its existence, more than 8,000 companies and other organizations from more than 130 countries have joined the initiative.

The need for CSR development in Ukraine is due to a number of factors:

- 1) low level of corporate culture and, as a consequence, financial and economic weakness of a significant share of entities in Ukraine whose activities are focused on survival;
- 2) legal nihilism and deformation of legal consciousness, the desire to circumvent the law, rather than follow it;
- 3) low level of public awareness of the role of business due to its relatively short modern history and the practice of implementing their own social responsibility;
- 4) misunderstanding by business and society of the main tasks and mechanisms of CSR implementation due to terminological (regulatory) uncertainty;
- 5) closedness of the majority of Ukrainian business entities to the general public, detailed information on activities is confidential information for internal use;
- 6) imbalance of components of the implementation of social responsibility policy by Ukrainian companies.

CSR in Ukraine is in its infancy. Social responsibility of Ukrainian companies and organizations is aimed primarily at labor relations and measures to protect the health and safety of consumers.

Measures to protect natural resources and interact with the community are less common: only a third of companies make social investments in community development, and half do not take environmental measures.

The most active in this area are, first of all, representations of foreign business entities that transfer modern world practices to the Ukrainian basis, as well as large and medium-sized domestic enterprises that improve their activities based on the concepts of total quality management.

The development of CSR in Ukraine needs the support of the state, which should recognize CSR as a desirable behavior for domestic entrepreneurship and develop a set of incentives and measures to disseminate and promote CSR in society. To confirm the state's position in the field of CSR implementation, it is important to approve the National Strategy for the Development of Social Responsibility for Business in Ukraine (hereinafter the Strategy). The adoption of such a document will improve the international image of the Ukrainian state, demonstrate Ukraine's desire to move towards modern European and world trends, to be responsible for the problems of society and the environment.

4.5. Criteria for the effectiveness of corporate social responsibility. Intensification of enterprises' activities for the development of socially responsible business. State regulation of corporate social responsibility of business.

In the management system of the business structure, the assessment of the effectiveness and efficiency of its activities in the field of corporate social responsibility (CSR) allows to identify deviations in the processes of its interaction with stakeholders, assess shortcomings and opportunities and timely adjust both social and corporate strategy focused on stability and success.

There is a great variety of approaches to CSR assessment. Some of them are based on the comparison of the obtained results with various indicators, others use assessments of qualitative characteristics that reflect the impact of CSR on various aspects of business, government and society.

In international practice, the so-called indices of corporate social responsibility are used, which allow to assess the social responsibility of companies. For example, according to Ernst & Young, only global stock markets in the context of sustainable development use more than 100 indices based on sustainable development indicators.

Another methodological approach to evaluating the company's performance in the field of corporate social responsibility is based on the criteria of companies' compliance with generally accepted international standards, such as the Recommendations of the Global Reporting Initiative on Sustainable Development GRI; Quality management system ISO9001: 2000; Reporting standards series A1000, SA8000, ISO14101: 2004; Social Responsibility Guide ISO26000.

Moreover, GRI and ISO 26000 are voluntary and their use by companies is not regulated by specially issued certificates. Adherence to the standards ISO 9001: 2000 and ISO 14101: 2004 is mandatory provided that the company has the appropriate quality certificate. The fourth version of the Global Reporting Initiative (G4) Reporting Sustainability Guide (G4) was released in 2014, according to which reports published after 31 December 2015 should only be prepared in accordance with the G4 version of the Guide.

Social audit, like accounting audit, is designed to verify CSR reports prepared by the company. The most common at the moment is the international standard for verification of reporting AccountAbility 1000.

Companies interested in entering international markets and IPOs on Western stock exchanges report on the basis of international standards AA 1000, GRI or ISO 14000.

According to the Board, the companies that implement the concept of social responsibility have a return on invested capital of 9.8% higher than that of its competitors that ignore CSR, return on assets by 3.55%, profit - by 63, 5%.

According to various studies, the investment attractiveness of companies with a good report on corporate social responsibility increases by about 10%.

Some rating agencies provide footnotes on indicators taken into account in the field of corporate social reporting. In the international market, social responsibility is assessed using special ethical indices on three main criteria:

- 1) the effectiveness of activities in the field of environmental protection;
- 2) respect for human rights;
- 3) the quality of relationships with employees and shareholders.

One such package of indexes is FTSE4Good, developed jointly by the London Stock Exchange, where it has been calculated since 2001, and the Financial Times (FTSE). Its purpose is to stimulate investment in companies that meet the criteria of social responsibility, so its calculation base includes only those organizations that take an active social position in all three areas.

Table4

Indicators of the quality index of social investments

Direction of assessment	Indicators used
Institutional design of social policy	Existence of a special document, which enshrines the social policy of the company (regulatory centralization of social policy). The presence of a special unit responsible for the implementation of social policy). Existence of a collective agreement (normative basis of social policy)
Social events accounting system	Availability of annual financial statements in accordance with international standards (unification and standardization of financial information). Implementation of international social reporting standards. Evaluation of the effectiveness of social investments (providing feedback between the investor and social investments). Examples of social programs (informing the public to share positive experiences, self-promotion and promoting the company's reputation and image)
Complexity of social investments	Company staff development. Health and safety of personnel. Environmental protection and resource conservation. Support of conscientious business practice. Local community development

4.3. GRI Sustainability Reporting Standards.

Standards help companies analyze and communicate their impact on the environment and society in a way that meets the needs of many stakeholders. In addition to the reporting companies themselves, GRI standards are very relevant to many other groups, including investors, politicians, capital markets and civil society.

The standards are designed as an easy-to-use set of modules. They contain both universal standards and specific ones.

You can choose specific standards based on topics that are important for companies to disclose: economic, environmental or social. As a result, your sustainability report will provide a comprehensive picture of the company's impact on various aspects of life and demonstrate how you manage that impact.

Reporting is an indicator of a company's responsibility.

A non-financial annual report is one way for a company to show that it is committed to being open and honest with its stakeholders.

With reporting, a company can evaluate its work and better manage its impact on people and the planet. Such a report can identify risks and help reduce them, highlight new opportunities and highlight areas where additional action is needed to become a responsible company that is trusted in a sustainable business environment.

GRI standards help organizations understand their external impact on the economy, the environment and society. This increases the accountability and transparency of their contribution to sustainable development.

Companies can use all GRI standards to prepare a report, only some or even parts of them.

Because GRI standards are structured as a set of modular interrelationships, there are two main approaches to their use.

In the first approach, the company should use three standards in the universal series (100) and only topic-specific standards (series 200, 300 and 400) when preparing a sustainable development report that focuses on reporting principles and focuses on significant topics.

The second approach is to use selected standards or parts of them to disclose specific information.

This option is called a GRI reference. When using this approach, the company chooses as much or as little as required by specific reporting.

For each of these uses of the Standards, there is an appropriate statement of use that companies must include in any reports or published materials disclosing information based on the Standards.

If you decide to report on the Standards for the first time, start by studying GRI 101, which is the basis and starting point for reporting. In this section you will find detailed instructions on the use of standards, information on key points and principles.

Standards help to properly structure and present information, but it is worth remembering about the presentation.

No matter how perfect the structure of the report, you will not fully unleash its potential if you simply add miles of text and giant spreadsheets into one file.

The report should be interesting and easy to understand. And this is not about information, but design. Your report should be such that everyone - from a new employee to partners and potential investors, taking it in hand, understand what is happening in the company.

Do not rule out the impact of the visual on the overall perception of the report. Depending on the colors, fonts, placement of the text on the page, it also depends on whether the holders will turn the pages with a positive or negative mood. In addition, simplicity of presentation is an additional point to the transparency and openness of the company.

Stunning spreadsheets and gigabytes of data that only experts can understand can be turned into a compact and vivid infographic. It will not only tell the facts, but also explain to the user what to do, illustrate the relationship and help draw the right conclusions. Then the same visual materials can be used for social networks, the company's website, even when hiring - as an additional argument for the fact that your company is cool and modern.

Think of a non-financial report as a presentation of your company to the world.

The use of GRI standards will lead the report to a single, internationally understood format. There are more and more companies that focus on it every year.

In Ukraine, only a few companies use the standards, but their number is gradually increasing, although this can not be called wildly popular.

However, it should be noted that this list includes one third of the top 25 taxpayers. However, the total number of reports, especially over long distances, is insignificant. This means that most companies do not experience the benefits and benefits that can be derived from a non-financial report prepared according to international standards.

The desire of investors to receive data in a transparent and understandable form, along with the growth of social consciousness, was the impetus for the beginning of the transformation of business reporting forms. It is no longer enough for the public to see only financial indicators, they need to know how the company's activities affect the environment and climate, whether it respects human rights, and whether there are no loopholes for corruption schemes. Information is needed, but extremely difficult to accurately calculate and structure. The response to the requirements of all stakeholders was the appearance of a report on sustainable development.

GRI is updating its reporting standards in the light of global change

Several organizations came to the aid of the business, which set about writing standards for the preparation of public non-financial reporting. The most widely used in the world are the GRI Guidelines (Global Reporting Initiative), about 80% of public non-financial reports in the world are compiled using them. They include such important concepts as materiality (materiality), ie the maximum amount of error amount that can be reported and considered insignificant, and take into account the interests not only of shareholders but also of all stakeholders.

For 20 years of work since the 90's the company has gained the status of an expert in this area, which has raised the value of its recommendations to a high level.

To date, the Global Council on Sustainable Development Standards (GSSB) has released 4 generations of GRI standards, from G1 in 2000 to G4 in 2013. Each new level was developed taking into account the errors of previous versions, feedback from user companies and practical

developments. The organization has even opened a section of FAQ-documentation on its website to collect feedback. The transition from the GRI G4 Guidelines to the GRI Modular Sustainability Reporting Standards is planned for this year.

Changes in GRI standards: a modular structure for greater business adaptability

The goal of innovation is to keep up with the rapidly changing agenda of the corporate sector. However, GRI G4 users should not worry: there will be no special changes in the content, the main changes will affect the structure of the manuals. The new modular structure allows you to adapt to a specific industry, which will allow companies to create reports "to their liking", easily update them and, if necessary, add new items.

The basic concepts of the G4 standard will be finalized: reporting principles, material aspects, disclosure of information about the management approach, as well as 3 universal standards applicable to all companies and 33 thematic ones devoted to various aspects of reporting. A separate note is planned for comparison with other types of standards (eg SASB).

In Ukraine, only a few companies consider it necessary to compile a report on sustainable development, as few can boast of this development. But its implementation and application is a big step towards European standards of doing business transparently and responsibly. And it is a signal to a foreign investor that the company has a long-term development plan, cares about its reputation, and therefore deserves trust.

4.4. Objective and subjective elements of organizational culture.

Organization is a rather complex organism, the basis of the vital potential of which is organizational culture. We can say that organizational culture is the "soul" of the organization.

In the scientific literature there are different interpretations of the concept of "organizational culture", which do not contradict, but only complement each other.

In a general sense, organizational culture is understood as the most important assumptions of members of the organization, which are reflected in the values that determine the guidelines of behavior and actions of people.

Organizational (corporate) culture is a set of techniques and rules of its adaptation to the requirements of the external environment and the formation of internal relations between groups of employees formed throughout the history of the organization.

Organizational culture concentrates the policy and ideology of the organization, the system of its priorities, criteria for motivation and distribution of power, characterization of social values and norms of behavior. Elements of organizational culture are a guideline in the management of management decisions, establishing control over the behavior and relationships of employees in the analysis of industrial, economic and social situations.

The general goal of organizational culture is to create a healthy psychological climate in organizations to unite employees into a single team that professes certain ethical, moral and cultural values.

Research shows that highly efficient companies are characterized by a developed organizational culture. As a rule, most highly profitable firms have specialized units that are directly responsible

for the implementation of moral values in the organization, develop special programs of cultural work among staff and create a favorable friendly atmosphere.

Experts distinguish two important features of organizational culture: multilevel (its elements form certain hierarchical levels) and multifaceted, multifaceted (organizational culture consists of the cultures of its individual units or groups of employees).

Usually, the elements of organizational culture include:

- organizational values, which are guidelines for the behavior of members of the organization;
- mission (main purpose of existence, purpose of the organization) and slogans;
- philosophy of the organization (system of key values that reflect its self-perception);
- rites and rituals - standard measures aimed at emphasizing the importance of certain events, purposeful psychological influence on employees in order to unite them, forming in them loyalty to the company, the necessary beliefs and values;
- customs and traditions;
- norms and style of behavior of employees with each other and with the subjects of the external environment;
- stories, stories, legends, myths about the most important events and people of the organization;
- symbols - emblems, trademarks, uniforms and other attributes of the appearance of staff, design of premises, etc.

For example, elements of McDonald's corporate culture are symbols (the letter M and a McDuck cartoon character), interior design (using yellow and red), assigning a personal number to each employee, a mandatory smile, and a customer address: "Free cash register".

Organizational culture as a multidimensional entity is hierarchical. There are three levels of organizational culture.

The first level, or superficial, includes its visible external elements, ie everything that can be felt and perceived through human sensations: architecture and design of premises, company symbols, behavior, language of employees, philosophy and slogans, and so on. At this level, elements of corporate culture are easy to identify, but they cannot always be interpreted correctly.

The second level, intermediate or subsurface is formed by the system of values and beliefs of employees of the organization. their perception is conscious and depends on people's desires.

The third level, or deep, includes basic assumptions that determine people's behavior: attitude to nature, other people, work and leisure, understanding the reality of time and space, attitude to other people, to work. Without special focus, these assumptions are difficult to understand even for members of the organization.

Researchers of organizational culture are often limited to its surface and subsurface level, because the elements of the deep are quite difficult to identify and characterize.

Any organizational culture can be described by certain parameters. The main ones are: attitude to change; propensity to risk; degree of centralization in decision-making; distance between management and subordinates; degree of formalization and regulation; the ratio of collectivism and individualism; the nature of the relationship between employees and the organization (focus on independence, independence or conformism, loyalty); leadership style; the source of the fall; principles of performance appraisal and remuneration.

Stefan Robine identifies the following key characteristics of organizational culture:

- individual autonomy - the level of responsibility, independence, the ability to identify the initiative of employees;
- structured activities - the level of regulation of the labor process (the presence of all sorts of rules, instructions, regulations), the level of direct control over the labor behavior of employees;
- orientation - the level of formation of goals and prospects of the organization;
- integration - the level of support in the interests of coordination;
- management support and support - the level of providing managers with clear communication links, the level of assistance and support of subordinates, and the nature of their relationships;
- incentives - the level of dependence of remuneration on the results of work;
- identification - the level of identification of employees with the organization as a whole, the degree of participation in achieving organizational goals;
- conflict - the level of conflict in the organization, ways to resolve them, tolerance for different views and points of view;
- risk - the level of incentives for employees to persevere, initiative, innovation, risk-taking in solving organizational problems.

These characteristics can be used to describe each organization.

Properties of organizational culture are: generality, informality, stability.

The generality of organizational culture is that it covers all types of actions in the organization. For example, organizational culture determines the order of development of strategic problems or procedures for hiring new employees.

The informality of organizational culture means that its functioning is practically unrelated to the official, statutory rules of conduct. Organizational culture seems to operate in parallel with the formal mechanism of the structure. The difference between organizational culture and the formal mechanism is the predominant use of oral, verbal forms of communication, rather than written documentation and instructions, as is customary in the formal system.

The importance of organizational culture is determined by the fact that more than 90% of business decisions in modern organizations are made not in a formal setting (at meetings, gatherings), but in informal meetings.

The stability of organizational culture is associated with such a common feature of culture as the tradition of its norms and institutions. The formation of any organizational culture requires a long effort on the part of leaders. However, once formed, the values of culture and ways of their implementation acquire the character of traditions and remain stable for several generations of employees of the organization. Many strong organizational cultures have inherited the values introduced by company leaders and founders many decades ago. Thus, the foundations of modern organizational culture of IBM were laid in the first decades of XX century. T. J. Watson.

The culture of the organization contains both subjective and objective elements.

Subjective elements of culture include beliefs, values, images, rituals, taboos, legends and myths associated with the history of the organization and the lives of its founders, customs, accepted norms of communication, slogans.

Values are the properties of certain objects, processes and phenomena that are emotionally attractive to most members of the organization, which makes them role models, benchmarks, measures of behavior. Values include, above all, goals, the nature of internal relationships, the orientation of people's behavior, diligence, innovation, initiative, work and professional ethics.

Key values, being integrated into the system, form the philosophy of the organization. Philosophy reflects the organization's perception of itself and its purpose, the main activities, creates a basis for developing approaches to management, streamlines staff activities based on general principles, facilitates the development of administrative requirements, forms general universal rules of conduct.

The rite is a standard, repetitive event, which is held at a certain time and on a special occasion. Rites such as honoring veterans, retirement farewells, and dedication to members of the organization are quite common.

Ritual is a set of special activities (rituals) that have a psychological impact on members of the organization in order to strengthen devotion to it, obscuring the true meaning of certain aspects of its activities, teaching organizational values and forming the necessary attitudes. Employees of many Japanese companies, for example, begin the working day by singing the company's anthem.

Legends and myths reflect in the right light and in coded form the history of the organization, inherited values, decorated portraits of its famous figures.

Custom is a form of social regulation of human activities and their relationships, inherited from the past without change.

As elements of culture can be considered also accepted in the organization norms and style of behavior of its members - their attitude to each other and external contractors, the implementation of management actions, problem solving.

Objective elements of culture reflect the material side of life of organizations. This, for example, the symbolism of color, convenience and interior design, appearance of buildings, equipment, furniture.

Values, customs, rites, rituals, norms of behavior of members of the organization, introduced from the past to the present, are called traditions. The latter are both positive and negative. As a positive tradition can be considered a friendly attitude to all new employees who come to the organization, and as a negative - hazing in the army.

The way of thinking of the members of the organization, determined by traditions, values, level of culture, consciousness of its members is called mentality.

Organizational culture performs various functions.

Security function. Corporate culture is a kind of barrier to the penetration of undesirable trends and negative values of the environment. It forms the uniqueness of the organization and makes it possible to distinguish it from other companies, the external environment as a whole.

Integrating function. Organizational culture creates a sense of identity in its employees. This allows each subject of internal organizational life to form a positive image of the organization, better understand its goals, feel part of a single system and determine the degree of responsibility to it.

Regulatory function. Organizational culture includes informal, unwritten rules that indicate how people should behave in the process. These rules determine the usual ways of action in the organization: the sequence of work, the nature of working contacts, forms of information

exchange. Thus, corporate culture forms the unambiguity and orderliness of the main forms of activity.

Integrative and regulatory functions contribute to the growth of productivity in the organization, as: a sense of identity and perception of the values of the organization allow to increase the focus and perseverance of members of the organization in carrying out their tasks; the presence of informal rules that regulate organizational activities and actions that eliminate inconsistencies, saves time in every situation.

Substitution function. A strong organizational culture, capable of effectively replacing formal, formal mechanisms, allows the organization not to resort to excessive complexity of the formal structure and increase the flow of official information and instructions. Thus, there are savings on management costs in the organization.

Adaptive function. Organizational culture facilitates the adaptation of employees to the organization and vice versa. Adaptation is carried out through a set of measures called socialization. In turn, the opposite process is possible - individualization, when the organization operates in such a way as to maximize the personal potential and capabilities of the individual to solve their own problems.

Educational and developmental function. Corporate culture always has an educational effect. Managers should take care of the training and education of their employees. The result of such efforts is an increase in the knowledge and skills of employees, which the organization can use to achieve its goals. Thus, it expands the quantity and quality of economic resources it has.

Quality management function. Since corporate culture, in the end, is embodied in the results of economic activity - economic benefits, it thus stimulates a more attentive attitude to work, improves the quality of goods and services offered by the economic organization.

The guiding function directs the activities of the organization and its members in the right direction.

The motivational function creates the necessary incentives for effective work and achieving the goal of the organization.

The function of forming the image of the organization, ie its image in the eyes of those around it. This image is the result of people's involuntary synthesis of certain elements of the organization's culture into some elusive whole, which has a huge impact on both emotional and rational attitude to it.

Culture permeates the management process from beginning to end, plays an important role in the organization of communication, determining the logic of thinking, perception and interpretation (providing individual content to observations and establishing links between them) verbal and especially nonverbal information.

Consumer orientation function. Taking into account the goals, needs, interests of consumers, reflected in the elements of culture, helps to establish stronger and consistent relationships of the organization with its customers and clients. Many modern organizations position consumer care as the most important value.

The function of regulating partnerships. Organizational culture develops the rules of relationships with partners, which implies moral responsibility to them. In this sense, organizational culture develops and complements the norms and rules of conduct developed within the market economic culture.

The function of adapting economic organization to the needs of society. The action of this function creates the most favorable external conditions for the activities of the organization. Its effect is to

remove barriers, obstacles, neutralize actions associated with the violation or disregard of the organization's rules of social play. That is, the benefit of the organization is to eliminate economic disadvantages - losses.

Certain elements of organizational culture are enshrined in the so-called Corporate Code or the Code of Corporate Culture.

Business analysts identify two main approaches to the creation of this document, which regulates the behavior of employees.

The first approach develops a small (3-5 pages) document that sets out the basic corporate rules for the relationship between the company and employees, and includes a list of what is prohibited. Everything that is not forbidden is allowed.

Another approach provides a detailed description of possible situations that may arise in the process (30-60 pages).

In small companies, the Code of Corporate Culture is developed by the HR manager together with the president or director. Large companies tend to entrust such work to consulting firms.

The document must be issued to the employee on his first working day, and his manager must take a test of his knowledge.

There is a practice of making beautiful booklets with corporate rules. However, organizations are changing and corporate rules are aging and needing to change. But the money spent on printing forces the management not to change them. Thus, the workers "on hand" are beautifully made, but no longer valid rules. Therefore, it is better to print corporate rules on the equipment of operational printing in a limited edition.

In addition to the creation of corporate rules, it is necessary to create conditions for their implementation, as well as to develop a mechanism for monitoring compliance.

It is advisable to include the following information in the Corporate Code (basic rules for employees):

1. General characteristics of the company (its history, specialization, mission, philosophy, organizational structure, data on key departments and their functions).
2. Basic principles of work (work schedule, possible reasons for absence and delays, technical and lunch breaks, overtime, holidays, corporate holidays, vacations, temporary incapacity, appearance and behavior, smoking and alcohol, rules of conduct indoors, disciplinary responsibility for documents and information, material responsibility, policy in case of harassment in the workplace, resolution of labor disputes, personal affairs of employees, general meetings, equipment and transport, use of computers and e-mail, office expenses, employee relations between customers) .
3. Selection and hiring of staff (procedure and criteria for hiring, hiring relatives, probation, termination of employment or termination of contract).
4. Remuneration system (remuneration policy, guarantees and compensations).
5. Training and development of staff (training, certification, training, career growth).
6. Corporate rules (appearance and behavior of staff, principles of communication between employees, with customers or business partners, corporate traditions and holidays, responsibility for violating these rules, making suggestions to the rules).

4.6. Principles of social responsibility in relations with consumers. Stages of the process of forming a component of social responsibility in relations with consumers.

Specific principles of CSR are formed at the level of a specific business entity

and are determined by the specifics of its business activities on various grounds, as well as formed under the influence of factors of the CSR environment.

First of all, specific principles are formed in accordance with the expectations of stakeholders of the enterprise.

Given the significant changes in the global economy, the challenges of the environment have significantly changed expectations

stakeholders who are currently considered important, on what principles the company operates, whether it meets the general criteria of sustainable development, defined

in the world, how the redistribution of income in favor of socially useful and significant

directions. That is, if there is no appropriate response to the requests of stakeholders, the company simply loses them, as well as its position in business.

According to the latest research by YourCause (an international platform for technology development and promotion of corporate social responsibility practices

enterprises) (July 2017), the most important statistical facts that characterize

corporate social responsibility environment is as follows: 81% of companies spend at least 1 dollar or 1 hour on CSR technology; 34% are directly involved in CSR programs; 17% participate in volunteering; 27% of companies offer annual CSR programs; 66% of global consumers are willing to pay more for the goods of enterprises whose activities meet the concept of sustainable development; socially responsible companies increase labor productivity by 13%; in enterprises implementing CSR programs, staff turnover decreases by 50% and staff loyalty increases accordingly; 75% of millennials (future employers and consumers) say they are willing to pay more for a socially responsible company. That is, the main trend is the commitment of enterprises to the concept of sustainable development, moreover, companies seek to go beyond the internal environment to address both local community development and global human problems. The concept of sustainable development is becoming one of the key priorities, the vital necessity of the enterprise in the market.

At the enterprise level, the principles of social responsibility include volunteering, integration into business development processes, benefits for the enterprise and meeting the expectations of its stakeholders, partnership, innovation in the formation of values and forms of CSR, ensuring contribution to sustainable development of society and location. enterprises.

Based on the model of building social responsibility by open type, it is possible

propose a number of specific CSR principles, the implementation of which should be consistent with the system

general principles. openness, including: transparency (clarity and clarity of approaches to the implementation of CSR development programs and mechanisms for their implementation); publicity (any information in the field of CSR, except confidential, must be open and accessible to the public); reliability (inadmissibility of falsification of information on the level of CSR); accountability (mandatory and regularity of providing information on progress in the field of CSR to society).

The second block of principles "Systematic" includes the principles of: focus (the presence of priorities directions of CSR); regularity (transition from single and one-time CSR actions to

planned programs and a permanent CSR system at all levels of government); consistency (unity in time, implies responsibility of the company for past, present and future actions); spatial unity (CSR is the basis of business processes in all structural units of the company); integration (involves the penetration of CSR into all business processes and decision-making processes at all hierarchical levels of government).

The third block of specific principles "Significance" focuses on the principles: relevance (provides for the timeliness and demand for CSR programs and activities in specific areas, who need it); scale (CSR activities should be targeted at large audiences and benefit society); efficiency (the ratio of the effect and cost of CSR should be optimal for the company, the costs should be aimed at solving

specific problems of society); priorities (selection of key CSR areas important for both

enterprises and society); altruism (implies a willingness to give part of the income to good of society). The proposed fourth block of specific principles of social responsibility "Partnership" provides for strengthening cooperation at the level of the triad "business - government - society" to ensure a synergistic effect of CSR activities, focused on the principles: transition from voluntary initiatives to mandatory CSR practice for all sub- management projects; readiness for constant dialogue with stakeholders in order to avoid conflict situations; creation of fundamentally new approaches to doing business,

creation of a product, technologies, methods of personnel management, etc., which will ensure the realization of the goals of sustainable development of society and overcoming its challenges; integrity (provides honest, fair, open activities of the company to all stakeholders and society).

Module № 2. "Diagnosis of social responsibility and corporate business culture"

Lecture 1. Diagnosis of the impact of corporate social responsibility on business development. Approaches to determining the level and activation of corporate social responsibility of business.

1.1. Socially responsible investments. Sources of added value.

1.2. Sources of added value.

1.3. Assessment of the degree of impact of corporate social responsibility on the level of business development.

1.4. Factors in the effectiveness of CSR tools in the management of the organization.

1.5. Reputation index and content analysis.

6. Analysis of determining the level of development of corporate social responsibility based on the study of non-financial reporting in the field of sustainable development.

1.1. Socially responsible investments. Sources of added value.

Socially responsible investing is gaining momentum in both the United States and Europe. Thus, in the United States the volume of socially responsible investments under professional management exceeds 3 trillion dollars, in the EU - 5 trillion euros. At a rapid pace, socially responsible investment has already taken a significant share of the securities market - almost every eighth dollar under professional management in the US is invested taking into account social, environmental or ethical factors, in the EU - every tenth.

Historically, socially responsible investment is associated with the activities of religious organizations and sects. In the American colonies, Quakers refused to invest in projects that could support the slave trade; the first formalized ethically oriented investment policy ignored the so-called sinful goods - alcohol, tobacco, gambling .

People are investing in their future, but this future increasingly means not only personal well-being in the form of a cozy house in the village or a good old age pension, but also the future of their city, country, world. The growing number of supporters of socially responsible investment is one of the most optimistic trends, confirming the adaptive capabilities of modern capitalism. The financial goals of socially responsible investments do not contradict human values and correspond to the desire of investors to see their money work for good.

However, the social development of socially responsible investment was actively developed in the second half of the XX century. in the United States and Europe. Increased attention of investors to the purpose of their funds placed in banks and investment companies in this period is associated with the peculiar political climate of the 1960s and numerous social and environmental movements of the time - from protests for civil rights and women's equality in anti-war and environmental demonstrations. For example, the Pax World Fund, now known as the Pax World Balanced Fund (PWBF) , founded in 1971 , began operations in the midst of the fight against the Vietnam War and the environment. This fund, whose assets 30 years ago amounted to 101 thousand dollars, today has grown to 1.16 billion dollars.

In the late 1970s, the concept of socially responsible investment began to attract more and more supporters in the wake of the campaign to end racial discrimination and apartheid in South Africa. "Social" investors have put economic pressure on the South African government, urging other investors and consumers to boycott companies operating in the country.

In the 80-90s of the XX century. appeared a large number of ethical funds, as well as began to form specialized information-analytical agencies and non-profit organizations for the development of socially responsible investment. Various social stock indices have appeared, which help to orientate among the objects of responsible investment.

The rating of companies, which is often used to determine the quality of socially responsible investment, is based on the parameter of social responsibility and is carried out using technologies that modify public opinion into a real force that can influence decision-making. Thus, there are stock indices (Domini Social Index (DSI) 400), Nasdaq Social Index, FTSE4Good, Dow Jones Sustainability Index), capitalized weighted indices of companies selected using social and environmental criteria; non-stock indices used for comparative positioning by interested organizations (eg the Social Index of the Danish Ministry of Social Policy).

Another fact that indicates that socially responsible investments have found their niche in the financial market is the emergence of specialized indices created to track the dynamics of this segment. The oldest of these is the Domini Social Index (DSI) 400, launched in 1990 by KLD Research & Analytics. It serves as a well-known benchmark for SOI's niche in the US market. This is a capitalization-weighted index based on 400 US companies sifted through social and environmental criteria. It does not include papers from arms, alcohol, tobacco, nuclear power and gambling manufacturers. Today, K.LD offers a family of 13 SOI indexes - American, global and

regional. Among them - KLD Catholic Values 400 Index, indicators of sustainable development for Europe, Asia and North America, the global "climate" index KLD Global Climate 100 Index.

Another indicator claiming benchmark status for the SOI market in the United States is the Calvert Social Index, established in May 2000. All major index providers have their own SOI standards. The FTSE4Good family of indexes, developed by the FTSE (a joint venture between the Financial Times and the LSE) in partnership with the ethics research agency Eiris, is worth noting. They are calculated through the application of social, ethical and environmental filters to conventional FTSE stock indices for 23 developed markets. There are Dow Jones Sustainability Indexes, which are integrated with the relevant stock indicators of the Dow Jones family and are based on the principle of selecting the best companies in their industry. The latest in this area is the Energy Efficiency Index from Merrill Lynch, which includes shares of 40 global companies that benefit from the introduction of energy-saving technologies; as well as a family of global thematic indices from Standard and Poor's, including the S&P Global Clean Energy Index and the S&P Global Water Index.

The availability of specialized indicators allows us to analyze the profitability of socially responsible investments compared to conventional investments. For the American market, the social indices Domini 400 and Calvert are fair to compare with the S&P 500 index, as the settlement base of all three includes shares of the largest US companies. Since its launch in May 1990, the oldest SOI index has shown an average annual return of 10.43%. For the S&P 500, the average annual growth rate for the same period is 10%. That is, in the long run, the SOI segment is ahead of the market in terms of profitability. At shorter distances, however, the social market index loses: comparisons of average annual returns for periods of 3, 5 and 10 years no longer look in favor of the SOI segment. A similar lag behind the market is observed in Calvert.

The system in which the balance between social justice and economic efficiency is realized is the investment sphere, and its main actors are business, state and society. Investments are understood as long-term investments in order to increase production and make a profit by creating new and modernizing existing enterprises using the latest technologies and equipment. One of the main criteria for classifying elements of the investment sphere is the purpose of investment. Traditionally, the purpose of investing is to allocate income to the investor. However, if the main goal of investment is not only the achievement of material income, but also the social effect, then such investment should be understood as social. Of course, this division of investment depending on the goals of "traditional" and "social" is quite conditional. Social investments can provide a positive financial result for the company at the same time as solving a social problem, and "traditional" investments can indirectly improve the welfare of the population.

There are different approaches to defining socially responsible investments . Under social investment, most authors understand the investment in social facilities, ie it is an investment aimed at strengthening the social orientation of the economic system. At the same time, the directions of social investment can be completely different, from investments in staff development and charity to participation in large infrastructure projects. The economic effect of social investment can be measured. Thus, the object of social investment can be not only and not so much business. The following areas of social investment can be distinguished with a certain degree of conventionality:

- public investment in the social sphere;
- institutional social investments, which in turn are divided into:
 - socially responsible investment carried out by socially responsible funds and other organizations;
 - funds and organizations that carry out social investment as the main activity (for example, investing in social enterprises on preferential terms).

Socially responsible investing is the process of investing investors, taking into account social, environmental and ethical factors, along with traditional financial analysis.

Thus, socially responsible investing is a sphere of action of investors, their groups and associations, which affects society as a whole. We are talking about investor decisions to support those companies that not only have good profitability, but also have a responsible attitude towards the environment, local community development and do not participate in the production of certain products that adversely affect public health. .

Socially responsible investing is an investment process in which the investor's responsibility for the impact of investments on society, the environment and their sustainable development, as well as his personal views and beliefs on socially important issues and socio-cultural values is manifested through voluntary and conscious choice of investment criteria and methods.

The main purpose of socially responsible investing is not only to take into account the economic efficiency of investment, but also to take into account the ethical values of the investor. Thus, the largest segment of the world market of socially responsible investments is represented in the USA - 2.29 trillion dollars, or 81.8% of the world market. In the European interpretation, socially oriented business means, above all, caring for its employees, increasing the level of social responsibility to them. But unlike America, the basis of European social consciousness is not corporate mercantilism, but state. The logic here is clear: the state is interested in a prosperous and stable society, and since the majority of society is employees, the corporate responsibility of companies takes mostly (under skillful pressure from governments) forms of responsibility to employees.

In the market of socially responsible investments, the following types of players are distinguished.

1. Socially responsible funds / management companies / investment banks:

- socially responsible mutual funds (funds that work with a large number of small investors, whose investments are usually distributed among a large number of different companies). The number of such funds is significant in European countries and the United States .;
- Separately managed account, where the composition of the portfolio is adjusted to take into account the interests of a particular investor and his expectations of socially responsible investment.

2. Endowment funds are created by universities, non-profit organizations and religious institutions, hospitals. These are trust funds intended for non-commercial purposes, usually to finance educational, medical and cultural organizations. The endowment is filled mainly through charitable donations. The Endowment may invest its funds for profit, but is obliged to direct all proceeds to those organizations for which it was created. At the same time, the very nature of the creation of the fund affects the investment strategy. In essence, such funds are socially responsible. The first endowment fund appeared in Russia in 2007. This phenomenon has not become widespread in our country - the number of funds is small, as well as the amount of funds under their management, while in the EU and the US the situation is reversed.

3. Public and private pension funds should be separated, as they are not purely investment management companies. According to their specifics, they work in the market of socially responsible investments. In many countries (USA, Great Britain, France, Australia, etc.) requirements have been introduced for pension funds to disclose information on the degree of their participation in SRL (whether or not they participate). Several European countries have found legislation requiring heads of state and pension fund trustees to disclose the extent to which social and environmental factors are taken into account when making investment decisions and assessing a company's business practices.

In 2000, the United Kingdom passed an amendment to the law requiring pension funds to inform the public whether they take social, environmental and ethical considerations into account when carrying out their investment activities. In October 2001, following an initiative for pension fund managers, the Association of British Insurers took a similar decision, inviting its members to provide full information on their actions in the field of socially responsible investment. In November 2001, several European countries, including the United Kingdom, France, Germany, Italy and the Netherlands, established the Eurosif (European Sustainable and Responsible Investment Forum), a pan-European forum for socially responsible investment to bring together leading European countries to develop their markets.

4. Insurance companies, according to their specifics, take into account ESG (environmental, social and governance) factors and operate in the market of socially responsible investments.

5. Community Development Financial Institutions (CDFIs) are a common type of private financial institution in the United States that specializes in providing personal and corporate loans to local communities. In addition to private and institutional investment, such institutions receive grants from the US Treasury. There are several similar organizations in the United States, including microfinance centers, community development banks, community development loan funds, microenterprise funds, and venture funds. In this case, the investment is directed directly to the organization and not to the financial market, which allows for greater social impact, as funds are not directed to the previous owner of the shares, and the financial institution spreads them directly to work with the local community.

6. Socially responsible banks that offer investors financial products and services using socially responsible investment methods (bank savings accounts, socially and environmentally responsible mortgages, etc.).

In addition, important information participants in the socially responsible investment market are various information and analytical agencies and organizations that carry out professional analysis of companies in terms of their social responsibility; associations and forums that provide information support to the market (industry reviews, indices, information on management companies and funds). This is a kind of market infrastructure that accompanies its development.

Currently, there are three main areas of socially responsible investment:

- social (respect for human rights, prohibition of child labor, corporate governance, public safety, etc.);
- ethical (refusal to work with companies producing, selling and distributing tobacco, alcohol, weapons, pornographic products, gambling, etc.);
- environmental (conservation of renewable energy sources, protection and preservation of the environment, climate change, etc.).

The latter direction of investment often does not give high financial results, but creates a good reputation for investors.

In world practice, there are three strategies for socially responsible investment.

1. Selection of companies, or "screening", is a policy of evaluating enterprises according to the criteria of socially responsible business on the basis of which their compliance (positive - positive - screening), or non-compliance with them or social and ethical views of the investor's business (negative - or negative, or avoidance screening).

The total amount of assets managed under the "sifting" strategy in the United States in 2005 amounted to 1,685 billion dollars, an increase tenfold over the previous decade. The share of this strategy in the total amount of funds managed on the principles of socially responsible investment

is estimated at 68%. The main players in the market using this technology are mutual funds, whose assets are estimated at 179 billion dollars, and socially screened separate accounts, managed for both individual and institutional investors. amount to 1,506 billion dollars). The main institutional investors are public pension funds (80.9%), corporations (9.2%), and religious organizations (3.6 %).

The screening process involves a careful study of corporate policy and business practices of many companies, which, of course, requires certain skills and time. Most private investors who intend to invest money "in good conscience" are not able to independently select securities for their portfolio. Therefore, they prefer to turn to the services of socially responsible mutual funds (SRI mutual fund). The SOI fund's portfolio is formed by professional analysts and managers, who take into account many aspects when evaluating companies: from the nature of products and environmental impact to employment policy.

The filters used by SOI funds in the selection of securities can be very different. In particular, there is a whole category of religious foundations created specifically for those who do not want to contradict the canons of their faith and in matters of personal finance. Thus, the principles of the Praxis MMA family meet the strict rules of Mennonite Protestants, the Amana family - orthodox Muslims, and Catholic Values - Catholics.

At the end of 2007, there were 260 "sifted" traded funds in the US market based on social responsibility or environmental security, closed-end and other collective and alternative investment funds, which managed \$ 201.8 billion . (for comparison: in 1995 there were only 55 SOI funds, and their assets were estimated at 12 billion dollars.). Today they are represented in almost all categories: equity funds, bonds, balanced, index, money market, foreign securities. The most famous families are Calvert, Parnassus and Domini.

2. Actions of shareholders to protect public interests (shareholders advocacy) are to bring the issues of social responsibility of business and corporate governance to the vote of the general meeting of shareholders, dialogue with the management of enterprises [116]. Thus, in 2005 in the United States shareholders put forward 348 proposals on social responsibility, corporate governance and mixed issues, the percentage of support averaged 10.3. In this case, the proposal may be withdrawn if the company's management begins actions to implement it. In 2005, 177 such responses were registered. Of particular importance in this strategy are the activities of institutional investors representing their investors, such as mutual funds, their policies and open voting.

An increasing number of investors are using their co-ownership status to raise issues of concern to the company. This can be done through direct dialogue with top managers or through speeches and voting at shareholders' meetings. Investors can express their protest primarily through the withdrawal of investments. These actions are like three levels of pressure, but they pursue one goal - to inform the company's management about the attitude of its business practices and corporate policy to shareholders and other stakeholders - consumers, employees, suppliers.

The shareholder advocacy mechanism usually works like this: investors put forward proposals that are subject to consideration at the general meeting of shareholders. In the United States, the most popular demands for discussion today include the inclusion of more women and minority representatives on boards of directors, as well as increased transparency in corporate reporting, especially in terms of sponsoring political parties. In addition, a large number of issues related to climate change and the requirement to set limits on greenhouse gas emissions are being addressed.

Hundreds of institutional investors and mutual fund managers use their shareholder status as public companies to support social initiatives when voting at general meetings. And although these initiatives do not always gain the required number of votes, this practice, however, puts pressure on the management of companies. The activity of shareholders and the coordination of their actions in addressing social and environmental issues is growing. This often attracts media attention and

has an "educational" effect on other investors through publicity. And high-profile precedents of successful pressure reinforce this effect.

Here are some of them. Note Depot, one of the largest retailers in the United States, has been forced to suspend purchases of furniture made from timber harvested near the disappearance of equatorial forests. Social investment activists in the UK, using negative publicity and NGO support, have forced major pharmaceutical companies, including multinational giant GlaxoSmithKline, to stop trying to prevent some African countries from importing cheap copies of their patented drugs. Earlier, McDonald's shareholders demanded that the company's management establish codes of conduct for suppliers based on international human rights standards. Coca-Cola's shareholders have demanded that the company's board of directors investigate potential threats to the environment and public health posed by its companies in some parts of India. It turned out that the corporation's factories collect drinking water in areas that are in short supply.

3. Investment in local communities (community investing) is not aimed at improving corporate policy and practice, but at developing and solving specific problems. Their share in the total volume of socially responsible investments in the United States is about 1%, the size of assets in 2005 is estimated at 19.6 billion dollars, while in 1995 their volume was only 4 billion dollars. The main players in investing in local communities are Community Development Banks, which provide low- and moderate-income communities with conventional financial services previously unavailable to them, with assets valued at \$ 10.1 billion; Community Development Credit Unions with \$ 5.1 billion in assets; Community Development Loan Funds with \$ 3.4 billion in assets and credit programs; Community Development Venture Capital Funds - \$ 870 million.

The infrastructure of the system of investing in local communities also includes various programs and centers to support investment in community development. For example, the Center for Investment in Local Communities (www.communityinvest.org) provides access to information, databases, breaking news and events, allowing investors to navigate the market for investing in local communities. Here trace mention and Community Development Financial Institutions Assessment and Rating System - Opportunity Finance Network project ; Certificate of Deposit Account Registry Service - Program Promontory Interfinancial Network, and t . D. _ [140].

Banks local development (community development banks) and credit unions direct money their own depositors on loans for financing construction municipal housing by available prices , on development small business , help low-income citizens and others small projects local values that _ in case his successful completion quiet or others way will improve life society . There are special funds community development loan funds, which , being non-profit organizations offer _ financial resource for similar projects in areas , population whose has income lower secondary level . Majority local investment programs contributes withdrawal social tension . IN that the same hour community investing no charitable , and investments that _ capable bring quite market income . Only in addition do they create a positive socio-economic effect. For many investors, the "social return" on investing at the local level fully compensates for not too high financial results.

By the way, community investing is the most dynamic segment of the SOI market in the United States. The amount of funds invested in local development institutions increased from 19.6 billion dollars in 2005 to 25.8 billion dollars in 2007, ie by more than 32%.

Thus, the possibility of socially responsible investment in the United States is due to the level of development of the financial market and corporate governance. The main criteria for selecting companies for socially responsible investment (screening) are the so-called sinful goods (among which tobacco is in the lead), relations with local communities, compliance with environmental requirements and standards of labor organization and employment, human rights. At the same time, the majority (64%) of mutual funds use more than 5 criteria of "screening", 11% - 2-4 criteria, 25% - one criterion. The activity of shareholders mainly concerns issues of corporate governance

(organization of shareholders' meetings, dividend policy, composition of the board of directors), corporate social responsibility (environment, health, safety, labor standards, openness of policies and practices, equal employment opportunities, etc.).

More and more investors are convinced that the concept of triple bottom line, which is a combination of financial, social and environmental parameters when evaluating an investment project, is not associated with additional costs, ie "Investing in good faith" does not mean investing to the detriment of their potential income.

In some cases, conscious investors may put pressure on the issuer's management, using their shareholder activism to change the situation in the company on a particular issue. Stock exchanges also began to feel pressure from investors. In February 2011, a group of 24 institutional investors managing \$ 1.6 billion in assets signed a letter urging the world's 30 leading stock exchanges to include in the listing rules a requirement to publish social responsibility reports regularly.

1.2. Sources of added value.

Value added is the share in the value of declared goods, which is determined by the difference between the value of declared products and the value of imported raw materials used in its production.

The basis of value added is the system of resource provision, which includes land, labor, capital, innovation, entrepreneurial skills, information. These factors, interacting in the production process, create a "new" product, the value of which is greater than the cost of goods consumed.

The basis of the theory of value added of the integrated approach determines the formulation a debatable question about measuring the importance of each factor in creating added value.

The value added created in the economy is distributed among the subjects of the economy. The mechanism of distribution of DV should be considered in terms of its components. The distribution of value added involves the so-called internal entities - employees (including top management), owners / enterprises and external, represented by investors (shareholders), the state (budget, social insurance funds).

In this case, employees receive a share of the created DV in the form of wages. Part of the funds in the form of social insurance contributions is sent to the Social Insurance Funds, which actually represent the state. As for the added value, which is the basis of profit formation, then

it is distributed among the owners (investors) / enterprise. At the same time, investors and owners receive part of the DV in the form of dividends, rents and distributed profits.

In addition, part of value added can be used to recapitalize production (development fund production) or in the reserve fund (accumulates a reserve of enterprise funds in case occurrence of unforeseen adverse circumstances).

Value added is the value added in the process of production of goods to the value of raw materials, fuel at each stage of movement of goods from producer to consumer.

$DV = Vr - Vps$, where

DV - value added, BP - revenue from the sale of goods, works, services, Air Force - the cost of purchasing raw materials.

Value added - the value that the firm added to the purchased raw materials with its factors of production. Value added is the firm's net contribution to the creation of a product. The added value

of the firm consists of components that correspond to the division of economic resources into four types:

Natural (land);

Capital (capital goods);

Work (ability to work);

Entrepreneurial abilities.

Value-added components according to four economic resources:

Rent, lease (contribution of natural resources, "land")

Depreciation (estimation of capital consumed in the process of creating products)

Wages (labor contribution)

Profit (assessment of the contribution of the entrepreneurial factor).

In macroeconomics, gross value added is considered - the sum of all value added created and consumed by the economy for the period.

$GDP = \text{Gross value added} + \text{Indirect taxes}$.

GDP calculated by the production method is gross value added plus indirect taxes.

Gross value added is the difference between the volume of goods and services sold and intermediate consumption. Gross value added reflects the value of final consumption.

Net value added

Net value added - value added excluding capital contribution - depreciation:

$\text{Net value added} = \text{Value added} - \text{Depreciation}$.

Value Added should be distinguished from Surplus Value. Value added is a Marxist term meaning value created by additional labor, that is, labor whose results the capitalist appropriates as a result of the exploitation of the hired worker. Value added, according to the Marxist concept, is equal to the profit appropriated by the owner of capital.

The concept of the Value Added Chain or Value Chain was developed by Michael Porter. According to this concept, the firm is seen as a series of dependent activities that generally lead to the creation of a product or service, ie to create added value for the buyer (company or end consumer).

1.3. Assessment of the degree of impact of corporate social responsibility on the level of business development.

Most often when assessing the level of corporate social responsibility

apply the division of indicators into three groups:

1. Economic indicators;

2. Environmental indicators;

3. Social indicators.

Economic indicators include the amount of social investment per employee, the ratio of social investment to profit, etc. In the group of environmental indicators are most common

the number of cases of exceeding environmental standards, the number of violations of technological regulations. The social indicators include staff turnover, labor shortage, assessment of the company's contribution to

social sphere.

In addition to methods for assessing quantitative and qualitative indicators, there are methods that take into account the relationship with stakeholders (stakeholder groups):

- Economic efficiency;

Social responsibility

- Organizational management;
- Ecology and environmental protection;
- Interaction with the consumer;
- Interaction with society;
- Labor relations.

Business processes directly related to the formation and implementation are taken into account when compiling ratings

social responsibility policies that implement a comprehensive

impact on the environment and society. and presented in the Index method of CSR evaluation has become widespread in international practice.

The most commonly used:

Domini Social Investment Index (DSI 400) (estimates the social, environmental and management performance of the largest enterprises by capitalization);

Dow Jones Sustainability Index (economic evaluation criteria for economic development, social activity, environmental activities);

FTSE4Good index (financial, social and environmental indicators of the enterprise);

Corporate Philanthropy Index (evaluates charity, relationships with key partners);

The method of the London Benchmarking Group (analysis of social inclusion of the enterprise).

In 2011-2012, the Center for Corporate Social Responsibility Development began to determine the Index of Transparency and Accountability (based on the methodology of Beyond Business (Israel)) of companies

Ukraine on the implementation of CSR technologies and informing the company's stakeholders on CSR policies and practices.

A distinctive feature of this Index is that the object of evaluation is the company's website and any Internet user can verify the reliability of its results. Company websites are evaluated

according to 4 main criteria that have the appropriate weight:

- 1) Reporting

social activity, etc.) - 40% of the total result;

Social responsibility 2) Content (level of information disclosure by main areas)

CSR) - 35% of the total result;

3) Navigation (ease of use of the site) - 10% of the total information;

4) Availability (language, contact information) - 15% of the total result.

The above indices are tools for external CSR evaluation. However, companies can develop their own indices.

Economists Lepikhina TP and Mokhova EG the method of calculation of the internal index of social responsibility of the company on the basis of an expert estimation and the modified matrix of SPACE-analysis is offered.

To calculate the social investment index, employees are asked to evaluate the social policy implemented by the management of these enterprises according to the following criteria:

- reward and motivation;
- professional training and staff development;
- Occupational Health;
- implemented social programs;
- additional incentives for staff;
- satisfaction with the moral and psychological climate.

In each group of criteria the list of quantitative or qualitative indicators is formed: from the size of a salary to development of volunteering and medical care which are estimated on a scale.

from 0 to 100. According to the principle of the SPACE matrix, the indicators are divided into 4 groups:

- factors that ensure stability (additional incentives for staff, psychological climate);
- factors that create safe working conditions (labor protection);
- factors that provide competitive advantages of the enterprise for employees (training and retraining, social programs);
- factors that ensure financial attractiveness (reward and motivation).

The research results are formed in the score taking into account the absolute error, relative error, reliability and Student's ratio.

Based on the calculation of indices, ratings of enterprises are created according to the level of implementation of CSR practices. Thus, based on the definition of the Index of Transparency and Accountability, a national rating is compiled

the most transparent companies of Ukraine in various sectors of the economy (Social Responsibility

are selected according to the list of Top 100 (Investgazeta) and ratings of the most transparent companies.

Since January 2012, every month the CSR Development Center evaluates the 10 largest companies in a particular sector according to the methodology

Transparency index.

Since 2008, the rating of the most socially responsible Ukrainian companies has been widely known in Ukraine, conducted by the rating agency Guardia of the business magazine Kontrakty. Guardia's rating methodology is based on an integrated assessment of companies on four main indicators:

- social report as a tool of dialogue with society;
- the level of disclosure of information about social investment;
- CSR management and stakeholder involvement;
- openness of companies in the field of charity and philanthropy.

Menshei Berezina O. Yu. Proposes a method of determining the rating of social responsibility of the corporation in the field of labor relations on the basis of quantitative assessment of CSR. Social responsibility rating

corporations are defined consistently:

1) through the calculation of partial social and labor indicators (24 of them), grouped by six subject areas:

- general indicators (index of social responsibility, index of perspective development, ratio of social investments and profit, etc.);
- employment indicators (the share of laid off during the study period at the initiative of the employer in the total number of employees, turnover rate, etc.);
- wages (the ratio of the average salary of employees of the corporation with the industry average, the share of labor costs in the cost of production, etc.);
- labor protection (the rate of occupational injuries, the cost of improving working conditions per employee of the corporation, etc.);
- training and health of employees (the cost of the corporation for the health of employees per employee, the share of employees who undergo an annual medical examination at the expense of the corporation in the total number of employees, etc.),

2) compiling a rating by subject areas and determining the integrated CSR rating indicator.

According to the methodological approaches to the assessment of the objects of corporate social responsibility, the following areas of assessment are distinguished:

- 1) social investments (and within them social policy);
- 2) efficiency / effectiveness of CSR;
- 3) CSR - practices.

The most well-known method of assessing social investment

was proposed by Russian authors. Indicators of qualitative assessment of social investment are offered

group by 3 criteria and 12 elements.

distance from all objects; minimal - in front of society, state, nature. The allowable level may be less than the minimum, but it is appropriate and does not apply to the entire business

(for example, small, medium), and responsibility will be expressed to society and the state.

Since certain socially responsible actions may not always lead to a certain desired (target) result, depending on the effectiveness of socially responsible actions of the subjects can be identified:

1) real responsibility - is social responsibility, which brings a real effect (result) from the actions taken by the subjects of the objects to which it is directed;

2) formal responsibility - socially responsible actions,

directed by the subject to the object of social responsibility, which brought an unplanned result, or did not bring results at all.

Therefore, the real result is the result expected from socially responsible actions. Formal social Social responsibility

responsibility under socially responsible actions hides certain benefits (tax evasion, the right to benefits, distraction, public trust, etc.).

Depending on the duration of socially responsible actions, we can allocate a time interval:

1) short-term - the period of time in which socially responsible actions carried out by a particular entity, provided a real result within one year;

2) medium-term - the period of time during which the implementation of cycles of socially responsible actions or the actual result from them is expected (occurs) in the medium term (up to 3-5 years);

3) long-term - one-sided cycle of social responsibility, future-oriented, so there may be no result or recipient of the result (natural resources, environment).

According to the coverage, social responsibility can be classified as follows:

1) micro-responsibility, ie at the level of a particular enterprise in all its manifestations;

2) meso-responsibility, ie at the regional level. Social responsibility to the people of the region in all its manifestations;

3) macro-responsibility, ie at the level of the national economy.

1.4. Factors in the effectiveness of CSR tools in the management of the organization.

Over the last few decades, various CSR tools have come to the fore in management. This is due to the economic situation (stability or crisis), the nature of the activity

organizations (commercial, public or government), for other reasons.

The most well-known CSR tools are: codes of ethics, ethics cards, ethics committees, social audits, social reports, ethical behavior training (trainings), ethical expertise, social investment,

system of methods of moral encouragement and punishment, social communications. Consider them in more detail.

1) Code of Ethics - a set of moral principles, moral norms and rules of conduct of the enterprise, which determines the assessment of their actions in terms of relationships with other business entities,

relations in the team and in society on the basis of moral norms and principles shared by them.

There are the following types of codes of ethics:

- regulatory codes, which contain detailed rules designed to regulate the relationship of the parties in case of breach of obligations (eg contracts);

- social codes governing obligations to customers, investors, shareholders, employees, etc .;
- corporate codes, which include provisions on the values of the organization, its philosophy and goals (form the basis of corporate culture);
- professional codes that define interpersonal relationships in the organization and reconcile the interests of employees and the organization. 2) "Ethics Cards" are a set of ethical rules and recommendations specifying the code of ethics of the corporation for each employee of the company. They contain the name and telephone number of the company's ethics consultant (ethics lawyer). The most common

"Ethics cards" received in Japan.

3) Ethics committees are established as permanent (to assess daily practice from the point of view of ethics) and temporary (if necessary, to solve the moral problem). Almost all members such committees are top-level leaders.

4) Social audits are created to assess and report on the social impact of actions and programs of the organization.

5) Social reporting - a documented set of data of a commercial organization that reflects the environment of the company, the principles and methods of cooperation with groups impact, the results of the company in the economic, social, environmental spheres of society.

6) Education of ethical behavior - training on solving moral problems of business.

7) Ethical expertise is an activity aimed at verifying, analyzing and evaluating the content, purpose of the activity and expected results based on the search for honest, responsible, humane, fair solutions.

issues important from the point of view of morality and those related to moral and psychological complications.

8) Social investment - the use and involvement of external and internal resources of territorial communities in the interests of their socio-economic, cultural development, creation sufficient standard of living for its members, ensuring the realization of their democratic rights and freedoms, harmony with the environment.

9) The system of methods of moral encouragement and punishment, as generalization of the results of positive or negative evaluation of the employee's actions and the results of his work.

10) Social communications - is the exchange between people or other social actors of holistic symbolic messages, which reflect the information, knowledge, ideas, emotions, etc., due to the whole

a number of socially significant assessments, specific situations, communicative spheres and norms of communication adopted in this society.

As the practice of management shows, ethical maps, system of moral incentives, trainings, social audits are of the greatest importance for operational management. They provide a quick solution to current management problems of the organization, increase productivity, strengthen the corporate

culture, reduce communication costs in the workplace.

Ethics committees, ethical examinations, and ethical consulting are the most effective in solving tactical tasks. Created to address unforeseen resonances

tasks, they have a positive effect on the public image of the organization, strengthen corporate culture, reduce the risks of opportunistic behavior among employees, force to adjust methods

achieving goals.

When achieving strategic goals, such management tools as codes of ethics, social reports, social investments (social programs), including philanthropy, come to the fore. They

increase the reputation and investment attractiveness of the company the level of trust from key stakeholders, reduce transaction costs, lead to increased capitalization of the commercial organization.

1.5. Reputation index and content analysis.

The organization develops brand values and identity to represent these wishes. Values are seen through words, while identity is seen through visual symbols with which values can be associated.

The second component is organizational image. This is the way in which stakeholders interpret brand values and the identity of a government organization. Stakeholders will look at organizational identity depending on how it is built and communicated through communication channels, they will interpret it right or wrong, positively or negatively.

The third component of the model is experience. At the point where stakeholders interact with the organization, they will gain experience in the quality of the organization's services, its behavior and its impact. To maintain a positive perception of stakeholders at this point, the organization must ensure that brand values are truly met.

The fourth component of the model is reputation. From the image that stakeholders represent of the organization and the attitude based on the experience of working with it, stakeholders develop a new attitude to the organization. The generalized attitude of all stakeholders at this stage forms the reputation of the institution. Given that it is rooted in the essence of the organization, the reputation is more stable than the image, which is abstract and transitional [1, p. 93]. Reputational ratings allow organizations to explore how stakeholders perceive their activities and how this perception affects attitudes toward them and their services.

When experts evaluate organizations, the question arises as to the extent to which one evaluation should be used to represent the perceptions of all stakeholder groups: Does the organization have one reputation or several? Some argue that organizations have several reputations because they embody the conflicting interests of different stakeholder groups: the state budget - financial revenues, employees - higher salaries, consumers - affordable and quality services.

As for measuring the reputation of state organizations, there are currently no methodological or practical developments on these issues, unlike the private sector, for which there are already many scales and methods for assessing this intangible and strategically important asset.

Consider the basic methods that exist to measure reputation and identify those that can be adapted to government agencies. They are mainly designed to measure corporate reputation. Most of them are developed by research marketing organizations or US publications. So far, seven programs have been registered, two of which are held regularly and have a large database. These are Fortune's Most Influential Companies (America's Most Admired Companies) and Yong and Rubikem's Y & R's Brand Asset Valuator. Four other programs are used by a large number of organizations to evaluate the effectiveness of their communication programs or initiatives: Harris Interaktive's EquiTrend, WPP's BrandZ, and Corebrand's Power Power. CoreBrand's "Brand Power"), and the Reputation Institute's RepTrak® System. The latest Harris-Fombrun's RQ system

is funded by the Reputation Institute and Harris Interactive. (For further convenience, we will use the original system names, instead of transliterated - KP). Currently, the RepTrak® system is the most popular and is used in more than 20 countries and adapted to a large number of industries.

These programs differ significantly in components, accuracy and scale. The advantage of one method over another depends in part on the type of information and analysis that managers want to obtain (Table 1). Common to all these programs is the accumulation and information needed for benchmarking.

Reputation Index (RQ) is a tool developed by Fombrand (research company Gariss Interactive). From 1999 to 2005, the Reputation Institute sponsored the annual RQ Consumer Survey, which was published in the Wall Street Journal and other influential media outlets around the world. Since 1999, RQ has been used in more than 26 countries.

RQ measures reputation, by ranking the largest organizations by respondents on 20 elements, grouped by 6 parameters: emotional attractiveness, goods and services, conceptuality and leadership, working conditions, social responsibility and financial performance. These 6 parameters and their 20 attributes were determined by a combination of qualitative and quantitative studies conducted in the United States, Australia and Europe during 1998-2000.

A series of studies by the Reputation Institute, which has been studying reputation dynamics since 1997, in 2005 made it possible to replace the RQ system with the RepTrak® system, an advanced tool designed to track and analyze corporate reputation. It includes 23 key performance indicators of the organization, which are formed around seven main areas (based on qualitative and quantitative research conducted in six countries). The starting point for the creation of RepTrak® was the combined experience of the RQ study. During the year, scientists finalized it, getting rid of the shortcomings. In particular: the six reputational parameters defined in the RQ and conceptually distinct are not shared in practice; RQ studies have shown consistently high levels of multi-collinearity among 20 attributes for measuring organizational reputation; the dimensions of "emotionality / expression" turned out to be very differentiated, correlated; all attributes in RQ carry equal weight, despite their clearly different impact on overall reputation.

Researchers have also questioned the fairness of the international scale and the need to further explore reputation attributes, such as the wave of organizational scandals that have hit the reputation of institutions and may change the attitude of stakeholders. Several additional attributes related to "ethics" and "governance" that were missing from RQ were also suggested, as well as new wording for some existing attributes. A system called RepTrak® was also developed, which consists of 23 attributes and 7 parameters for measuring the reputation of organizations.

Real-time monitoring of individual groups allows organizations to see the impact of their communication activities on stakeholders, and how effectively PR strategy influences public opinion, whether the coverage of certain information in the media harms or helps the company's reputation. The obtained data are an invaluable contribution to the understanding of organizational competitiveness. The main difference of the RepTrak® system as a tool is that, unlike RQ, its results are statistically independent of each other. This reduces the problems associated with multicollinearity in the field of data analysis and provides conclusions about the relative impact of specific attributes and their size on the overall reputation of the company.

Also, as we noted above, RepTrak® results are important in a comprehensive analysis of organizational communications. At the same time, reputation is seen as the result of production, ie how stakeholders interpret what they hear and see on the basis of a communication campaign in the media.

RepTrak® Analysis is currently the most comprehensive practical program that clearly offers organizational communications managers a systematic understanding of the effectiveness of their initiatives. It also provides a powerful platform for considering areas that the institution has not been involved in and that could improve its reputation.

All components of RepTrak® reputation measurement models can be applied and adapted on the basis of government organizations. However, the question remains how to obtain indicators of the categories listed in this model. For example, how to measure the indicator of social responsibility when it comes to the state structure, which by its nature is already such. The presence of a profitability indicator in the performance category is quite controversial. After all, not in all government agencies, this indicator, if any, will form a positive reputation of the organization. Similarly, the employee welfare indicator is difficult to adapt to the state direction. Because in this case, firstly, the welfare of employees will differ significantly depending on the category and rank of civil servants, which in the case of generalization gives a distorted result, and secondly, if the welfare of employees is high, it will also negatively affect the reputation and create corruption. organizations. Thus, in addition to the obvious need to reassess the constituent categories of the proposed reputation measurement model, it is important to understand that not all of the proposed indicators will work equally well when applied to private and public entities.

Another important area in adapting the model is to subtract the index of each indicator per category and, accordingly, the index that would demonstrate how this category will affect the overall reputation of the organization. For each state organization, depending on its nature, goals and objectives, different categories will be more or less important. The organization should first of all give greater influence on the reputation area of those categories that will most fully reflect its values and the values of its stakeholders. After all, categories can not affect the reputation of the organization with equal force.

1.6. Analysis of determining the level of development of corporate social responsibility based on the study of non-financial reporting in the field of sustainable development.

One of the most common methods of CSR assessment is ratings and indices, they are after them

Disclosures can affect "socially responsible" investments, as well as some consumers and current and potential employees.

One of the most popular is a rating published by an American financial company

MSCI. To measure the degree of corporate social responsibility the company uses

ESG rating (Environmental, Social and Corporate Governance). This rating is designed to help investors identify risks and opportunities and integrate these factors into the process of building their own

portfolio and its management. MSCI evaluates companies on 37 key items, which are grouped into three

main areas that correspond to the name of the rating:

environmental, social and managerial. To obtain the final MSCI ESG rating, the weighted average scores for each key item are summed and normalized by industry.

The final industry-adjusted score of each company corresponds to the letter value on a scale from best (AAA) to worst (CCC).

These estimates of the company's performance are not absolute, they are relative to the standards and

performance indicators of the company's industry colleagues. Based on all of the above, we can conclude that to study the relationship between CSR and financial performance of global TNCs by regression analysis as an independent variable will be rational to take the indicator CSR according to the MSCI ESG rating.

For adequate modeling of corporate social responsibility with the help of it MSCI ESG rating will be appropriate to assign numeric values to the rating.

According to previous research, it is on the impact of CSR on financial performance companies, it would be advisable to try to identify

impact on the following performance indicators: return on assets (ROA), return on equity (ROE), return on invested capital (ROIC) and total sales (Sales).

The efficiency of the company can be measured by the profitability ratio

assets in the context of the efficiency of asset management for net income. And for

analysts and investors often measure efficiency by the rate of return on equity. Return on invested capital is a universal indicator of assessing the effectiveness of the use of financial resources that belong to both owners, investors and creditors [4]. In terms of total sales, this indicator reflects the efficiency of the company as an indicator of consumer demand. Thus, we can conclude that these four indicators

during the simulation will allow to show the impact of corporate social responsibility on all

stakeholders of TNCs. To build an adequate model using regression analysis, it is necessary to select several control independent variables. Obviously, large TNCs with more assets have more

developed in the field of corporate social responsibility, they allocate more funds and

carry out larger CSR initiatives than small firms. For stakeholders, the size of the company and its involvement in CSR is a positive indicator of stability and future development, because

The company's involvement in CSR activities is an indicator that it has entered the market for a long time

due to the long-term effect of CSR. Therefore, as the first control independent variable it is expedient

will use the size of the company. During the simulation, the size of the company will be expressed in

the totality of its assets as one of the methods of estimating the size of the company through financial indicators.

Another factor that affects the relationship between CSR and financial performance

companies, there is a degree of risk. To assess it, use the capital pricing model

assets (Capital asset pricing model, CAPM).

Lecture 2. State program to support corporate social responsibility of business. Corporate social responsibility monitoring system for key business performance indicators using international non-financial reporting standards.

2.1. Institutions and infrastructure of corporate social responsibility. The concept of the national strategy of social responsibility.

2.2. Laws of Ukraine on effective cooperation of public associations and authorities.

2.3. The mechanism of effective interaction between the state and business.

2.4. Elements of the organizational profile of assessment and monitoring of the corporate social responsibility system of business.

2.1. Institutions and infrastructure of corporate social responsibility. The concept of the national strategy of social responsibility.

Public organization - an association of citizens to meet and protect their legitimate social, economic, creative, age, national, cultural, sports and other common interests.

Ethical behavior - behavior in accordance with accepted principles of correct and appropriate behavior, in the context of the specific situation, and in accordance with international standards of conduct.

Stakeholder (influence group, stakeholder) - a person or group with an interest in decisions or actions of the company, organization.

Company, organization - a business entity established and operating in accordance with legislation of Ukraine.

Environment - the natural environment in which the organization operates, including: air, water, land, natural resources, flora, fauna and people in their relationship.

Non - financial report - approved by the organization, company (verified or not verified) document containing a description of other than financial performance indicators companies, organizations.

Transparency - openness of decisions and actions that affect society, economy and environment, the desire to cover these issues clearly, in a timely manner, honestly and fully volume.

Social responsibility - responsibility for the impact of decisions and actions on society, environment through transparent and ethical behavior that:

- promotes sustainable development, including health and well-being of society;
- takes into account the expectations of stakeholders;
- complies with current legislation and international standards of conduct;
- integrated into the activities of the organization and practiced in its relations.

Social dialogue - the process of defining and converging positions, achieving common ground agreements and decision-making by the parties to the social dialogue, which represent the interests of employees, employers and executive and local authorities self-government on the formation and implementation of state social and economic policy, regulation of social and labor relations.

Consumer - an individual who buys, orders, uses or intends to purchase or order products for personal use. Sustainable development is development that meets the needs of the present and provides future generations with the opportunity to meet their own needs.

The purpose of the Strategy is to create a basis (as a set of norms, rules, separate organizational mechanisms) and favorable conditions for the integration of CSR in the activities of companies for sustainable development of Ukraine, increasing public welfare and addressing issues identified in national policy documents.

The main objectives of the Strategy are:

- development of CSR as a factor in modernizing the economy, increasing its competitiveness in order to recognize Ukrainian business on the world stage as socially responsible, its facilitated integration into international markets, growth public welfare and addressing issues identified in national programs documents;
- introduction of common approaches to understanding the social responsibility of business in Ukraine to all stakeholder groups;
- development of a non-financial reporting system in order to raise awareness society on various aspects of CSR;
- improvement of existing and development of new forms of public-private partnership for economic, social and environmental development of communities and areas of presence;
- formation of an effective system of social and public dialogue;
- creating preconditions for guarantees of human rights, ethical education and education of members of society;
- development of resource saving and energy efficiency programs, "greening" of business and the country's economy as a whole;
- development of business improvement processes of enterprises, organizations and institutions.

As a result of the activities of the Advisory Board for the development of the Concept of the National Strategy of social responsibility of business in Ukraine at the Committee of the Verkhovna Rada of Ukraine on Issues industrial and regulatory policy and entrepreneurship, formed in 2009 after committee hearings "Development of corporate social responsibility: Ukrainian perspectives",

The process of formalizing the understanding of CSR in Ukrainian society has gained momentum and has become

driving force of changes in social perception of this phenomenon. Social responsibility of business in the Ukrainian context can be defined as one that operates on three main levels:

1. Compliance with legal obligations to the state and society (payment of taxes, health and safety, workers' rights, consumer rights, environmental standards) and industry standards.
2. Minimize or eliminate the negative impact of business on society and management risks (such as human rights violations or environmental pollution environment).

3. Strengthen the positive impact of business on society and create value through innovation, investment and partnership for social and environmental well-being (eg job creation, social and economic development, solutions conflicts).

The need for the development of CSR in Ukraine is due, in particular, a number of factors:

- Low level of business excellence and, as a result, financial and economic weakness a significant share of companies in Ukraine is one of the most common obstacles.

The activities of economically weak entities are focused on survival, and society and the state often takes an oppositional position to business. This is the general situation in the background constant lack of funds does not contribute to the spread of ideas and principles of social responsibilities at the national level.

- Legal nihilism and deformation of legal consciousness - in Ukraine is just forming a culture of respect for law and law in general. Nowadays, aspiration prevails to circumvent the law, not to abide by it. Unfortunately, the business is both the most active and the creative subject of public life is no exception. This is partly explained the quality of laws passed in Ukraine, their instability and selectivity

application.

- Low level of public awareness of the role of business - due to relatively short modern history of domestic business and even shorter practice of its implementation own social responsibility in Ukrainian society is almost not formed correct understanding of business efforts in this direction.

- Terminological (regulatory) uncertainty - given the relatively late entry domestic business circles to the community of socially responsible business in Ukraine has a basic misunderstanding with both business and other members society's main tasks and mechanisms for implementing social strategies responsibility.

- The closure of Ukrainian companies to the general public - for most companies detailed information about its activities are data for purely internal use.

Only a quarter of the surveyed companies have approved codes of conduct (mission, code of ethics, proclaimed values, etc.).

- Distortion in the implementation of social responsibility policy by Ukrainian companies.

Social responsibility of Ukrainian companies and organizations is directed, first of all, on labor practices and measures to protect the health and safety of consumers.

Less common are measures to protect natural resources and interact with the community:

only a third of companies make social investments in the community, half of enterprises does not take measures to protect the environment.

- Uneven consideration of the interests of stakeholders: often companies take into account the interests of consumers and public authorities, at least - non-governmental organizations and research organizations, educational institutions, cooperation with which practically absent.

2.2. Laws of Ukraine on effective cooperation of public associations and authorities.

Citizenship is an active conscious activity of citizens in the interests of the whole society, its certain group and themselves. Knowledge and ability to use adequate tools of interaction between government and community and responsibility for jointly adopted decisions.

The mechanism of citizenship is the public participation of the population, through which its ability to self-organization and social self-government is manifested. The existence of civil society becomes possible in the presence of free and equal individuals who have the right of free association and voluntarily pursue appropriate political attitudes. Public work of people is carried out in different forms, depending on the specifics of their activities. These are public organizations, political parties, as well as social movements and so on.

Public organizations are mass associations of citizens that arise on their own initiative to achieve long-term goals, have their own statutes and are characterized by a more or less clear structure.

The most common types of public organizations in the modern world are: trade unions; women's; youth; children's organizations; organizations of the disabled; veterans; scientific; technical; cultural and educational; physical culture and sports and other voluntary societies, creative unions, various fellowships, foundations, associations, etc.

A characteristic feature of them:

- documentation of goals and objectives;
- organizational and structural support, which, in fact, distinguishes them from social movements.

Along with organized public activity, situational advocacy and promotion of one's interests by interest groups, whose activities are not always public, is quite common.

In general, public associations are a kind of link between political and civil society, between the "lower" and "upper". This is their stabilizing, integrative role in society (Constitution of Ukraine, Articles 36, 37).

R. Patnam's research on the activities of choirs and football clubs in Italy proved that the active participation of the population in the work of public associations is a major factor in the efficiency of government institutions and the growth of economic prosperity. Good governance must be preceded by building trust between community members.

The presence of public organizations is one of the indicators of democratization of society. Thus, in Hungary in 1989 there were 8 thousand public associations, and in 1996 - already 42 thousand. In 1996 in Poland there were 40 thousand public organizations, and in Ukraine at the same time only 5 thousand. In 1998, there were about 1 million NGOs in Germany. As of January 1, 2015, 44,696 public organizations were registered by the Ministry of Justice in Ukraine, and about 2 million in the United States [3]. Although, according to the Ukrainian Independent Center for Political Studies (UCIPR) in 2013, more than 90 thousand public associations were registered in Ukraine [26 4, p.15]. According to the State Statistics Service of Ukraine, as of January 1, 2015, 75,828 branches of public associations were registered as subjects of the USREOU in terms of organizational and legal forms of management [27 5].

Supporting civil society is the responsibility of countries that consider themselves democratic. A declaration of support for civil society, including women, was signed in Warsaw on June 26-27, 2000, during a government meeting "Towards a Community of Democracies" organizations, non-governmental organizations, labor and business associations, as well as independent media in the

process of exercising their democratic rights. At the UN Millennium Summit (September 2000), world leaders identified key development goals and objectives for 2015, known as the Millennium Development Goals, including developing a global partnership for development [6]. As part of the UN General Assembly session on September 20, 2011, 8 founding countries (Brazil, the United States, Indonesia, Mexico, Norway, the Philippines, the Republic of South Africa, the United Kingdom) launched the international initiative "Open Government Partnership" "Open Government". The partnership is aimed at increasing the level of openness and transparency of public bodies, supporting the involvement of civil society institutions in the formation of public policy, the introduction of high standards of professional integrity in public administration. As a result of joining the Initiative for Ukraine, the challenge was to ensure the openness of the public consultation process. In general, the world is moving towards openness and transparency of public policy through the active participation of citizens and their associations. Ukraine cannot stand aside from these processes. A new form of social organization requires new approaches, forms and methods of its activities.

“Serious challenges for the dialogue between government officials and civil society institutions in Ukraine arose in connection with the deep socio-political crisis in late 2013 - early 2014, in some formats virtually nullifying it. The discrediting of the dialogue has reached a dangerous level, so the restoration of even the minimum level of trust between the two parties will directly depend on substantial changes in the political and legal system... Political and legal dysfunction violations of the rights and freedoms of citizens. Therefore, political and social events quickly shifted to the extra-legal plane. The closedness of the system of political decision-making, which determines the life of society and the state, and the exclusion of the public from this process also played a significant role. Risks of making wrong decisions and their dangerous consequences remain, as both sound expert positions and public opinion are ignored. Therefore, according to NISS experts, "deliberate removal of the public sector from the levers of influence on decision-making is extremely dangerous, as it leads to attempts to resolve problems and conflicts outside the legal boundaries."

In fact, democratic transformations require the consolidated efforts of all types of public associations.

In Ukraine, regulations provide for a sufficient number of various forms of citizen participation in the formation of public policy. Laws of Ukraine "On Citizens' Associations", "On Social Dialogue in Ukraine", "On Local Self-Government in Ukraine", "On Information", "On Trade Unions, Their Rights and Guarantees of Activity", "On Youth and Children's Public Organizations" ", " On employers' organizations ", " On self-organization of the population ", " On professional creative workers and creative unions ", " On charity and charitable organizations ", " On volunteering ", " On freedom of conscience and religious organizations ", " On social services ", " On the principles of state regulatory policy in the field of economic activity ". Laws of Ukraine "On Principles of Domestic and Foreign Policy", "On Access to Public Information", "On Free Legal Aid", "On Basic Principles (Strategy) of State Environmental Policy of Ukraine until 2020" regulate such forms of interaction between government and community , how:

- public councils;
- public hearings;
- public initiatives;
- consultations;
- round tables;
- public opinion polls;

- community organization;
- social monitoring;
- creation of coalitions, etc.

Making management decisions with the involvement of citizens is one of the group policy methods. Group decision making has a number of important advantages. In particular, a greater amount of knowledge and information that influences decisions; more alternative solutions; allows you to communicate the decision to all stakeholders. More people are involved in solving the problem, which makes the decisions clear.

Forms of work with citizens are formally divided into direct (public discussion) and indirect (study of public opinion). According to the resolution of the Cabinet of Ministers of Ukraine "On approval of the Procedure for involving citizens in the formation and implementation of state policy" from 6.01.2010 № 10 public discussion includes the organization and conduct of:

- public hearings;
- meetings with the public;
- conferences, seminars, forums, "round tables", meetings, public receptions;
- TV or radio debates, discussions, dialogues, interviews and other TV and radio programs;
- Internet conferences, electronic consultations;
- telephone "hotlines", interactive communication in other modern forms.

The study of public opinion is carried out by:

- conducting sociological research and observations (surveys, questionnaires, content analysis of information materials, focus groups);
- introduction of special sections in print and electronic media;
- conducting express analysis of comments, responses, interviews, other materials in the press, on radio and television to determine the positions of various social groups;
- elaboration and generalization of remarks and proposals expressed in citizens' appeals;
- analysis of information received in special boxes.

2.3. The mechanism of effective interaction between the state and business.

Most countries in the modern world are only in the first stage of formation public-private partnership. Until the third stage, only Great Britain, Australia, South Korea and Ireland were able to develop a mechanism of public-private partnership.

(The latter joined this list recently). In the second stage are almost

all European countries (France, Germany, Spain, Italy), as well as the United States, Canada and Japan.

At the first stage are the post-Soviet countries, Latin America and the East Europe.

The experience of cooperation between the public and private sectors is the most successful and significant

Great Britain. Since the 1990s, the country has been approved and implemented closely

600 public-private partnership projects, which account for 15% of the total capital investment of the entire public sector.

The most characteristic features of the "Private Financial Initiative" in the UK are: the availability of consideration of all agreements in order to improve living standards, rather than the emergence of new assets in the state; division of powers between the state and business - the private sector takes over long-term

obligations to service assets, and the state - a condition for ensuring permanent

demand for a particular product or service; risk sharing between the private and public sectors; using the price-quality ratio as an indicator of the effectiveness of public-private partnerships.

In Ireland, a number of public-private partnership mechanisms are being implemented

infrastructure projects in energy, transport, social services on the basis of the adopted concept with a centralized body in this area - the Central Department of Public-Private Partnership.

In China, the public-private partnership system has significant potential to use,

especially through its forms such as concessions and contracts. The specificity is predominance the role of the state apparatus, especially in the social sphere and the field of budget financing.

Although it should be noted that the state has recently given way to private capital and

transfers responsibility for the implementation of some projects to the private sector,

such as water supply, wastewater treatment, etc.

In France and Italy, public-private partnerships are widespread in the form of concessions. By

through this form of interaction between the public and private sectors, a balance is maintained between

large and small government projects.

The most common areas of public-private partnership are the sphere

provision of administrative services and infrastructure: water supply, construction of highways. The cooperation between the state and business is similar in Sweden, but the peculiarity is the division of powers: the state is the operator of projects, and business bears all the risks.

The concept of social responsibility is the ideological basis of charity (charitable activities) of modern entrepreneurship. The priority of public interests has been established in the national spiritual tradition

above personal, which, in turn, raises the ethical bar of requirements for entrepreneurs.

However, at the stage of formation of market relations, private business is in a situation of survival, which actualizes the motivation of self-preservation and does not contribute to altruistic behavior. Therefore, the charity of entrepreneurs

is spontaneous and accidental. The central dilemma of motivations for socially responsible behavior is the moral choice between freedom and responsibility, individualism and solidarity, but still the acceptance of social responsibility or its rejection occurs on a personal level. societies, clubs.

Support of state social programs by business and entrepreneurs cannot replace social policy pursued at the state, regional and local levels with appropriate ones.

government agencies. The state is called to actively cooperate with business in solving problems of socio-cultural nature, which, in turn,

influences the strengthening of citizens' trust and the realization of its role as a regulator of the social system.

It should be noted that the function of the state as an important regulator of patronage in modern conditions is focused primarily on improving legislation in the field of economic incentives

patronage of commercial enterprises.

However, unlike the United States, European corporations are more likely to limit their liability to society. The European model of socially responsible business is not an open line of conduct

companies and, as a rule, is regulated by the norms, standards and laws of the respective states, because most social problems belong to the sphere of ethical responsibility by European companies. Europeans do not trust the private sector at all, which explains the higher level of public attention to business, such as nuclear energy, animal testing, genetic engineering, and so on. Charity is not as popular in Europe as it is in the United States, and is due to the high overall level of the tax burden, which is significantly higher than the American one.

2.4. Elements of the organizational profile of assessment and monitoring of the corporate social responsibility system of business.

Ukraine is characterized by its own development trends. The most common explanation for this is the lack of funds that can be directed to social responsibility, enterprises and the state. However, this explanation can be accepted with significant limitations. The reason may be a general shortage of funds in the national economy. However, decisions on the implementation of social responsibility measures are made by business owners and those in power, who have the opportunity to allocate the necessary amounts. It is also worth noting that the cost of social activities on average for businesses is quite low. At the same time, other costs, including the costs of lobbying for one's own interests in public authorities, the costs of maintaining sports teams, may exceed the costs of social responsibility. From this we can conclude that business owners consciously choose a structure of expenditures where the cost of social activities is not a priority and priority.

Thus, we can conclude that the reason for low social activity is not the limited funds that can be allocated for it, but the fact that business owners do not have significant incentives to be socially responsible. V.V. Dementiev notes that in Ukrainian enterprises, the entity that decides on the allocation of resources is the owner - an individual.

The dominant motive of his activity is profit maximization. Social responsibility and its positive consequences for the owner are not the main purpose of owning the assets of the enterprise. Instead, they pose certain threats because they require investment, and their results may not significantly affect the improvement of economic performance. In this case, the profit received by business owners consists, firstly, of the difference between sales revenue and production costs, and, secondly, is defined as the difference between the profit and the payment of mandatory payments. Thus, the low level of social responsibility is determined by the sources of income and the ways in which it can be maximized.

In economic theory, two main ways of obtaining economic profit due to the creation of competitive advantages are considered: the innovative way of making a profit and the rent way. These two methods are incompatible, and the use of one of them complicates the use of the other [77, p. 85]. According to the first way of development, the company must apply innovations (including in social activities), and profit is due to reduced costs due to the use of new technologies or production of products that are better than competitors, or have additional properties that are attractive to

consumers. It is the presence of additional properties that characterizes the products of socially responsible enterprises. However, this way of making a profit is also risky, requires long-term business planning and does not bring instant profits.

The second way to make a profit is achieved by rent maximizing it. Unlike the previous method, in this case the economic profit is provided by imperfect competition, reduction of social costs, lowering the level of payments for the use of labor and resources necessary for production, as well as by artificially increasing the price of enterprise products. With the rental path of profit, the main competitive advantage of the enterprise is the excess of economic power.

Thus, the entrepreneur has the opportunity to choose between these two ways of making a profit. The lack of social initiatives suggests that the entrepreneur chooses the second path, and alternative forms of profit maximization are more effective and predictable than social measures. At the same time, investing in excess economic power is more attractive to the entrepreneur, because it gives the predicted result in a shorter period of time, and economic power itself is a cheaper and more effective way to influence counterparties.

Economic power can manifest itself in several ways:

in the form of monopoly power, in the presence of which the counterparties are forced to interact with a single enterprise or a limited number of enterprises;

- in the form of corporate power, in the presence of which the company becomes the owner of other companies;
- in the form of administrative power, in the presence of which the owner and management determine the terms of remuneration of the staff of the enterprise;
- in the form of access to power of state bodies (judicial, law enforcement, political).

The rental method of profit, in addition to discouraging investment in social activities, also creates additional barriers for them, including the following:

- the structure of enterprise management is not adapted to the system of social activities, as it focuses on achieving other interests;
- Insufficient dissemination of social responsibility measures causes relatively high costs for their implementation in the event that the company implements them;
- Businesses use limited planning horizons, while long-term planning is needed to ensure social responsibility.

However, the rental path of profit has limited application. Until recently, most manufacturers have struggled for dominance in relationships.

Artificially raising the price of products and reducing the cost of its production causes disparities in economic development, violates the conditions for the reproduction of resources, exacerbates social inequality. In particular, the consequences for the staff of companies are: low wages of employees of enterprises, which leads to a change in the structure of training; reduction of skills of the workforce; a significant reduction in the level of use of the potential of employees due to the fact that in the absence of social measures in relation to them, employees see themselves as external elements in relation to the enterprise.

The formation of a competitive economy involves the creation of such institutional conditions in which the social activity of the enterprise is an important source of maximizing the individual income of the owner. This necessitates consideration of the priority area of improving the efficiency of the enterprise by means of social responsibility, namely improving the efficiency of staff.

The moral risks of the enterprise related to staff include the possibility of opportunistic behavior. It should be noted that a wide range of research in the field of personnel management is devoted to ways to solve the problem, which is relevant to business owners and top management of most companies and is the need to determine how to reward staff to increase their motivation to work effectively.

An important aspect of the research problem is the reliability and completeness of information about the work process and the results of work of a particular employee of the company. It is worth noting that although it is impossible for the owner or manager to obtain completely complete information about the activities of an individual working individual, but even incomplete information provides answers about the system of material incentives. If there are simple and traceable performance criteria, they should be used to motivate efficiency gains. With regard to remuneration, this means that the employee should receive a reward that would allow him to take the initiative and did not need additional motivation or control.

However, this decision cannot be applied in certain cases. A material reward associated with simple criteria that are easy to track (such as sales results or quantity of defective products) is not always well implemented and can create conditions for opportunistic behavior of company staff, without analysis of which it is impossible to explain employee behavior

Among the reasons for this are:

- The range of responsibilities that an employee must perform is quite wide. Usually the position requires work to solve a set of tasks that have different priorities for the head. The problem here is both the prioritization of performance appraisals and the fact that management's performance appraisals usually focus on only a few areas of responsibility. In this case, it is logical for the employee to focus on the most important for management areas of activity, as well as areas whose results are monitored. Other tasks can be ignored.
- When working in a team, the results are provided only through the interaction of employees, and can not be attributed to a specific person. In this case, even when there are clear performance criteria and available information on the results, the remuneration of an individual employee of the team may not be directly related to the intensity and efficiency of his work, as simplified and imperfect methods are used to divide the total remuneration.
- Rewards can be tied to relative results. This relativity can manifest itself in several aspects. First, the reward may be based on exceeding previous achievements. Second, the reward may not be for improving and increasing one's own results, but for outpacing the results of other employees. Both aspects distort the incentive system. In the first case, the remuneration system does not take into account the case when significant efforts can be made by employees not to improve, but to maintain the results already achieved (this may be observed in times of economic instability or adverse market conditions). In the second case, the imperfection is that employees can receive material rewards not only for improving their own efficiency, but also as a result of creating obstacles to improving the efficiency of other employees. However, this method of determining remuneration is convenient for management, as it requires less information to decide on its size.

there are three elements that shape it: types of employees; their norms and ideals; losses and acquisitions that accompany the type of identity.

It should be noted that the insider-outsider model is a continuation of the principal-agent model. In the principal-agent model, the owner is referred to as the principal and the employee acts as the agent. The principal pursues certain goals, but the agent takes action to achieve them. However, since the agent does not have the motivation of the principal, there is a need to reward his actions, as well as control over the completeness of achieving the results.

In this case, the agent (employee) can choose the amount of effort to achieve the goals. The principal can track the effort, but it is more important for him to monitor the performance of the agent. According to these results, the principal determines the amount of remuneration.

In the model of "insider-outsider" two types of employees are considered [34, p. 53]. The first type - insiders - employees who identify themselves with the company. This type of employee shares the company's goals and considers it necessary to make additional efforts to achieve them. The second type - outsiders - employees who do not identify themselves as part of the company.

This type of staff does not seek to make additional efforts, as it is guided only by its own goals and not the goals of the enterprise. Such behavior of employees is referred to as "evasion" [227]. The behavior of both types of staff is due to the fact that in the case of additional efforts, the insider gains the usefulness of identity, and the outsider loses it.

Differences in identity for the two types of employees result in different levels of rewards, which are necessary for the employee to increase their own efficiency and make greater efforts. An insider needs less remuneration to work hard.

On the other hand, the outsider needs more remuneration because he gives up his identity when working hard. Therefore, effective business management should implement a system of measures that shape the identity of the insider, as it is associated with greater efficiency and lower cost of remuneration for additional work. In the case when the additional material remuneration and the costs of control procedures exceed the costs of measures to ensure the change of identity, it becomes profitable for companies to form the identity of the insider in the staff.

4.1.2. Criteria for assessing the accumulated organizational experience in the field of corporate social responsibility and social investment.

In addition to the developed system of social audit, which helps to determine the degree of reliability

According to the obtained data, the company should use reliable tools to assess the level of development of the FAC management system and make sound decisions based on them to improve certain aspects of practical application.

Based on all previous research in this area, we can conclude that to fully determine the profile of corporate social responsibility in the enterprise must take into account previous experience, existing system and social policy, available resources and prospects for development. In other words, it is necessary to build an organizational profile that would reflect the past, present and future of the CSR system of the enterprise and would allow to judge the sustainability of the system of social projects (see Fig. 2).

The main part of the assessment should not be a comparative analysis of the main indicators of social investment (so-called efficiency of social investment), but to assess the quality of management decisions and compliance of management with modern approaches in this area.

Thus, when building an organizational profile will be assessed as organizational experience of company management (retrospective achievements to be disclosed in the report), as well as strategic competencies that form the basis of the current potential of a particular company in corporate social activity. Retrospective indicators focus on assessing the experience of CSR, current - on identifying key competencies in socially responsible behavior, promising - on assessing the future contribution of socio-economic development projects that determine the innovative development of the company and is the basis of its investment policy .

Criteria for assessing the accumulated organizational experience

in the field of CSR and social investment

Number points	1.1. Social positioning	1.2. Experience of evaluation of results - social investment	1.3. Formation experience best practices management
1	2	3	4
100	The company publishes financial independent reporting audit and public accreditation in professional communities	To assess the effectiveness of social projects regularly involved in external experts	The experience of the company can use other practice, the practice was known at the professional level their communities and its but best practice status tiki.
75	The company uses wild GRI [13] for disclosure socially significant indicators ditch and uses tools public recognition reports.	There is a formalized method to assess the impact of social investment in changes in domestic it and the external environment higher	There is an exchange of experience house in the conference this, business meetings or practical seminars in management
50	The company publishes reports made according to their own methodological or discloses information on the company's website within the presentation	The main results achieved are published without evaluating them impact on individual groups of steak holders	Best practice experience published in social reports indicating new performance indicators which use are the target values.
25	The company displays information this about CSR only on the site companies within the limited sections	The main stakeholders have been identified the specified base set of CSR measures	Experience of best practices no social investment goes beyond the and is fixed in the management lin reports
0	The company does not pay attention issues of social position and does not disclose information on approaches and practices tiki CSR	Performance evaluation social investment is not dreaming, the company does not selected significant areas social work	Experience in forming social practices does not formalize investments and does not form intellectual the company's capital

In addition, this should include an analysis of the effectiveness of the main approaches

and experience in developing sustainable management practices. Each of the indicators is evaluated on a scale from 0

up to 100 points depending on compliance with the selected quality assessment criteria. Sizes 100, 75, 50 and 25 points are the highest scores in accordance with those considered in table. 3.1 criteria. At

incomplete compliance with the criteria of a higher level, but the possession of some of their characteristics, approach

involves reducing the score by 10 - 20 points.

The current state of the CSR system is characterized by a number of indicators that reflect the degree of development of strategic competencies in the field of planning and control of social projects of the company.

Current social policy defines the principles of work in the social sphere, the system of values of organizational culture and promotes the formation of sound decisions in the field of work with all groups of stakeholders.

Social policy must be complemented by a social mission and strategy in the main areas of sustainable development - social and environmental. The strategic competencies of the company should be aimed at achieving uniform effects in the social and environmental spheres and determine the prospects for the development of society as a whole. The implementation of charitable projects, as shown by the best experience of foreign companies, should be implemented on a competitive basis, so that stakeholders themselves will be able to contribute to setting priorities for social investment.

Criteria for assessing the current state of the CSR system

Number points	2.1. Social policy	2.2. Current social projects investment	2.3. Strategic competencies
1	2	3	4
100	Developed mission and strategic social activity companies	Charitable programs are on the grant or other competitive basis	Developed management tools complex social and environmental policy to achieve complex effects.
75	The company adheres development and implementation of tics of social management in the field of CSR .	Created balanced portfolio of social products projects, which is aimed at satisfying the interests of all stakeholders, declarathem in social policy companies	Interaction tools have been created with actors studying social design, defined additional areas of social investment stations.
50	The main provisions of CSR	There is a clear understanding	Approaches to determining prospects active areas of social

	traced in the implementation- these events and can be related to the provided social guarantees	priorities in the field of social investments, for example treasure in staff training or charity	traditional investments - training labor protection, philanthropy etc.
25	Social policy wears declarative nature, the main provisions of the beyond the basic guarantees that exist in this industry.	Application of design approach to implementation certain areas of social investments	The company pays attention only to work with internal social environment - employees
0	There is no clear definition formalized social policy	Social activities looks like off-system on, and therefore it can be attributed threads in the case of financial difficulties	There is a basic system of social guarantees offered companies of similar level in

2. The highest scores according to the proposed methodology correspond to a comprehensive risk treatment for all stakeholders in accordance with different scenarios of the company and its financial

stability.

3. The foundation of such scenarios is the development of anti-crisis social policy, which

the company applies in the case of the least favorable situation in the markets and in the socio-economic

dynamics in general.

Lecture 3. Socially responsible behavior of the organization in interaction with market counterparties. Strategy of socially responsible behavior of the organization in the market environment.

3.1. Fight against money laundering.

3.2. Fair competition.

3.3. Philosophy of total quality management.

3..1. Fight against money laundering.

The United States was one of the first states to enact anti-money laundering legislation when it passed the Bank Secrecy Act (BSA) in 1970. This law, which was the first step in detecting and

preventing money laundering, has since been amended and strengthened by additional laws. The Financial Crimes Investigation Network (FATF) is currently responsible for enforcing the Bank Secrecy Act. Its mission is to "protect the financial system from abuse inherent in financial crimes, including terrorist financing, money laundering and other illegal activities."

In 1989, several countries and organizations established an intergovernmental body, the Anti-Money Laundering Group (FATF). The mission of this group is to develop and promote international standards to prevent money laundering. Shortly after the September 11 terrorist attacks in the United States, the FATF expanded its mission to include the fight against money laundering and the fight against terrorist financing. Another important organization is the International Monetary Fund (IMF). The main goal of this organization, which includes 189 countries, is to ensure the stability of the international monetary system. The IMF is concerned about how money laundering and related crimes affect the integrity and stability of the financial sector and the economy as a whole.

The estimated amount of money laundered worldwide in one year is 2 to 5% of world GDP, or 800 to 2 trillion dollars - and this is a modest estimate. Money laundering is often closely linked to smuggling, arms trafficking, embezzlement, insider dealing, corruption and computer fraud. It is also used by criminal groups involved in human trafficking, weapons, drugs or prostitution.

The fight against money laundering is closely linked to the fight against terrorist financing (FT), which financial institutions use to combat terrorist financing. BVI legislation combines money laundering (source of funds) with terrorist financing (allocation of funds).

In addition to fulfilling the moral obligation to combat money laundering and terrorist financing, financial institutions also use anti-money laundering tactics to:

Comply with the requirements of the law, which requires them to monitor customers and transactions and report suspicious activity.

Protect your brand reputation and shareholder interests.

Do not receive penalties for violating the law, as well as sanctions under civil and criminal law for violating the law or negligence.

Reduce costs related to fines, staff and IT costs, and the need to reserve capital for risk.

The concepts of dirty money and money laundering are terms that originated in the United States in the 1930s. in connection with the adoption of a law in the country prohibiting the free sale of alcoholic beverages. One of the negative consequences of the "dry law" was the smuggling of alcohol, the proceeds of which were invested in the development of a network of laundries, thus gaining legal status. Since then, such transactions have been figuratively called "money laundering" .

Money laundering is an operation in the process of which the origin and purpose of a cash payment are concealed. "Money laundering" is the conversion or "cleansing" of property, which originates from a serious crime in order to conceal the source of its origin. It should be noted that the process of money laundering poses a threat to the general economic development of territories and countries that abandon strict control over this type of international criminal activity.

Uncontrolled inflows and outflows of large amounts of "dirty" money can potentially destroy the national economy of the host country. Excess cash flows in circulation distort the demand for cash, interest rates and thus lead to inflation. The outflow of billions of dollars a year from the economic system threatens not only the stability and development of individual national economies, but also the international financial system as a whole.

The direct source of "dirty" money is the shadow economy as a set of unaccounted for and illegal economic activities. It includes three segments:

"Informal" ("informal", "gray");

"Underground" ("criminal", "black");

fictitious economy.

"Informal" economy is a legal type of economic activity that is not prohibited by law, in the framework of which the production of goods and services is not fixed by official statistics, and this activity is hidden from taxes. Such activities are possible in almost all sectors of the economy. The main reason for its occurrence is considered to be the high level of taxation that exists in the economy, as a rule, income from activities in this legal field - is additional, temporary income.

The underground economy is usually illegal economic activities, such as the illicit production and sale of weapons, drugs, smuggling, racketeering, theft, banditry, and illegal practices such as unlicensed doctors, illegal gambling, and prostitution. etc. Such an economy is mainly developed within the framework of criminal groups.

The "fictitious" economy includes bribery and all kinds of fraud involving the receipt and transfer of money; this also includes activities aimed at obtaining unjustified profits and various benefits by economic agents on the basis of organized corrupt relations. The main reason for the emergence of such a sector of the economy is the desire of economic agents to benefit from the use of their official position.

Regarding the channels of origin of "dirty" money, in world practice there are the following main generators of cash flows:

organized criminal groups that need to legalize funds received from drug trafficking, as well as from other criminal activities;

terrorist groups that use the system of money laundering to obtain funds for the purchase of weapons and equipment for hostilities;

so-called corrupt officials, who receive "dirty" money in the form of bribes, funds from state social funds, as well as misappropriated loans from international financial institutions obtained through financial assistance.

Regarding the main methods of money laundering, the following can be distinguished: [2]

Export of cash from the country with the help of couriers or hiding them in luggage, for their subsequent repatriation through foreign banks.

Multiple crediting of cash to the current account by different individuals.

Concluding agreements with foreign companies for the provision of information services.

Concluding contracts for the sale of goods that do not actually exist.

"Structuring" - artificial fragmentation of a financial transaction into several units, with small amounts. At the same time, money is transferred using not only banking institutions, but also post offices, pawnshops, etc. Ultimately, the funds are accumulated in one or more accounts, from which they are transferred legally to a bank in another country.

Fictitious companies - state registration of such companies usually takes place using forged or lost passports, then on the basis of the registered company opens a bank current account, which accumulates funds that are later transferred to another company's account or received in cash.

Alternative banking systems are money laundering in the so-called "golden triangle" (Thailand, Burma, Laos), money goes through a complex chain of people who run this kind of business from generation to generation. This scheme is called hawala, when using such a scheme funds do not get into the banking system, and therefore they can not be traced.

Fie chien scheme that exists in China, sometimes called the "note system", ie the client provides money to the "banker" in exchange for which he receives a receipt, which he can exchange with another "banker".

Pseudo-reinsurance is the transfer of non-existent risks to reinsurers.

Several approaches have been developed to assess the extent of money laundering.

One of them is the so-called "Palermo" approach (Italian method), based on comparing the amount of declared income with the actual volume of purchases of goods and paid services in the country or region, as well as individuals. It is also called the method of analyzing cash flows. This method is considered to be quite accurate, as it is not limited to the calculation of illegal income resulting from smuggling and drug trafficking. It allows you to set the upper limit of the amount of money laundering with varying degrees of accuracy. Its essence is to analyze the phenomenon of so-called cash surplus in some regions of the country or in some banks.

Another so-called monetarist approach is based on the assumption that in the shadow economy, payments and payments are made mainly in cash. Therefore, the main attention is paid to the analysis of the ratio between cash and bank deposits on demand, the share of high denomination banknotes in total money circulation, as well as changes in the share of cash in total money circulation.

Another approach is the method that is directly based on the analysis of banking statistics, in particular the study of data related to capital inflows, as well as balances of payments of individual countries.

The problem of shadowing economic relations is relevant for all countries without exception. Moreover, according to foreign experts, this problem tends to worsen globally. According to the Organization for Economic Co-operation and Development (OECD), the shadow economy has grown by 6.2% annually over the past five years, and overall economic growth has averaged 3.5%. This negative trend is in antagonistic conflict with the interests of long-term socio-economic development of any country.

To combat money laundering, the FATF, an international anti-money laundering group, was set up in 1989 to deal with dirty money. Today [when?] It includes 31 countries and two international organizations. [Source?]

The FATF is an intergovernmental body whose goal is to develop and implement international measures and standards to combat money laundering. The FATF monitors the implementation of such measures, studies methods and techniques of money laundering, develops preventive and precautionary measures, promotes the global implementation of anti-money laundering standards. In performing these functions, the FATF cooperates fruitfully with many international organizations, whose activities are also aimed at combating money laundering. [1]

Initially, the FATF's priority was to combat money laundering. Today, the FATF has three main areas:

extension of its recommendations to all continents and regions of the globe;

verification of how anti-money laundering measures are being implemented in Member States and implemented in other countries, based on 40 FATF recommendations, which are a guide to action;

tracking global methods and schemes of money laundering and development of countermeasures.

The key document of the FATF is the recommendations, which are set out in the form of annual reports of the organization.

According to the 2006-2007 report, the criteria can be divided into the following groups:

recognition of money laundering by states as a crime;

establishment of criminal liability for such illegal actions, as well as for failure to report them;

confiscation of criminal proceeds, as well as assistance to other countries in confiscating such proceeds;

creation of a special body of financial control over dubious financial transactions (so-called financial intelligence);

introduction of mandatory requirements for all financial institutions regarding the identification of their clients, identification, accounting and notification of a special body on dubious financial transactions;

release from criminal liability of persons under the conditions of submission to the supervisory authority of information on dubious financial transactions;

cooperation with relevant international bodies and organizations in the fight against money laundering, including extradition (extradition).

One of the activities of the FATF is to identify the so-called non-cooperative countries and territories and compile a list of them, which is called a "black list". Although the country's inclusion in the "black list" does not lead to the application of sanctions by the world community, but it shows the degree of confidence in it by foreign investors. Inclusion or exclusion from this list of countries takes place at meetings of the FATF in accordance with certain criteria established by this organization in 2000 and grouped into four groups:

"Gaps" in financial regulation - such as the ability to make transactions in payment systems without proper authorization - ie not the ability to establish the origin of funds;

other obstacles of a legislative nature - this includes, for example, the inability to identify the owner of the company;

barriers to international cooperation, such as a legal ban on providing information to international anti-money laundering organizations on certain transactions.

inadequacy of measures to combat money laundering - lack or improper qualification of staff, bribery, etc.

The FATF sets the size of the shadow economy in highly developed countries at 17% of GDP, in developing countries - 40% of GDP, in countries with economies in transition - more than 20% of GDP. According to the World Bank, the world's shadow economy produces \$ 8 trillion worth of goods and services annually. USA.

But the problems of money laundering were taken care of before the creation of the FATF. Thus, on the eve of the First World War (in 1912) the International Convention on Opium Trade was concluded, and in 1931 this Convention was replaced by a new Convention restricting and regulating the production and distribution on a global scale of drugs contain narcotic substances.

And after the Second World War, the United Nations took the initiative in the fight against drug trafficking, and with it the laundering of "dirty" money. The first step in solving this problem is considered to be the United Nations Single Convention on Narcotic Drugs of 1961, later amended

and amended by the Protocol of 1972. The amendments significantly expanded the list of narcotic drugs to be prohibited. These, along with opium and opium-derived substances, included synthetic narcotics, as well as cocaine and cannabis products. The next step was the adoption of the 1971 UN Convention on Psychotropic Drugs, which significantly expanded the scope of international control to a large list of synthetic drugs. This document has been ratified by more than 140 states. But with the development of the criminal business, the UN in 1988 adopted the Vienna Convention, which declared "money laundering" an international crime (this convention was ratified by Ukraine on November 27, 1991). In addition to recognizing money laundering as an international crime, the convention required ratifying countries to include in their legislation articles on the extradition of perpetrators of such crimes and the confiscation of the property of criminals.

Another international instrument regulating money laundering is the Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime, signed in Strasbourg on 18 November 1990. This document was prepared by the Committee of Experts of the Council of Europe and contains 44 articles which are binding on the states which have signed and ratified this Convention. Legal experts regard this agreement as the most complete list of orders and rules, covering all stages of the legal process - from the beginning of the investigation to the sentencing and confiscation of "dirty" money.

Relevant subdivisions have been created within the UN structure to implement the provisions of the relevant conventions [4]. CICC - Center for Combating International Crime. It is a UN agency founded in 1997 and responsible for combating and preventing crime and reforming criminal law. The Center pays special attention to the fight against transnational crime, corruption and drug trafficking, as well as to assisting various countries in ratifying the Convention on Combating International Crime.

ODCCP - Office of Drug Control and Crime Prevention. It is also a UN unit headquartered in Vienna. Its main objectives, as the name implies, are to combat drug trafficking and organized crime, as well as money laundering. Through this unit, the UN helps member states to introduce anti-money laundering legislation, as well as to develop and maintain structures that combat it. Through various programs, the ODCCP monitors and analyzes problems related to money laundering, as well as acts as a mediator between the UN and other international organizations.

CJIN - Crime and Legality Information Network, which provides an important database of links to Internet sites related to criminal law. It is also a UN unit.

International organizations that work closely with the United Nations have also been set up to combat crime. FOPAC is a unit of the General Secretariat of Interpol that deals with the fight against money laundering.

FINCEN - The US Treasury Department's Financial Crimes Unit, established in 1990 to study, analyze, and disseminate information about financial crimes, especially information on money laundering.

The preconditions for the spread of the shadowing of economic relations in Ukraine dates back to the times of the former USSR. The accumulation of shadow capital was particularly rapid during the years of so-called perestroika (1985-1991). As a result, with the acquisition of independence, Ukraine inherited the already formed shadow sector, which contained a fairly significant criminal core. The administrative and planned economic system in the Soviet Union led to the fact that settlements between individuals and legal entities were mostly made in cash. In the early 1990s, the issue of withdrawing cash flows from the shadows became acute in the post-Soviet states due to falling gross domestic product, negative economic growth, and hyperinflation. Small and partly medium-sized businesses were represented by individuals - entrepreneurs, payers of income tax with the then operating high (up to 40%) tax rate, drive the business into the shadows. [5]

Additional conditions for the development of shadow criminal activity were created by the distorted sectoral and regional structure of the economy, its excessive monopolization. Significant mistakes were also made in the implementation of reforms, in particular those related to accelerated liberalization and privatization processes, and the development of the financial sector.

According to experts, 55% of Ukraine's gross domestic product is produced in the shadows, while the money through the budget is not directed to social needs: support for teachers, doctors, retirees, the army. In the Baltic countries, for example, 43% of GDP is distributed through the budget, in Poland - 49%, and in Ukraine through public finances is distributed only 23-29% of gross domestic product [6]. To reduce the level of shadowing of the economy, Ukraine used the following tools:

improvement of current legislation, liberalization of the legal field for the enterprise;

reduction of the level (from 42.4% in 1997 to 2.3% in 2003) of barter transactions;

improving the quality of use of budget funds, in particular by limiting non-monetary forms of settlements with the budget and the prohibition of budget offsets, the transition to the treasury form of servicing budget operations;

overcoming hyperinflation and ensuring reliable monetary stabilization, positive changes in the structure of the money supply, in particular by reducing the amount of money circulating outside banks, from 48.9% in 1997 to 35.7% of the money supply in 2003;

implementation of measures to streamline the employment system, providing subsidies to the population to create additional jobs for the employment of registered unemployed, etc.

As for the legislative levers that Ukraine uses to combat money laundering, these include the Criminal Code, which provides for criminal liability for activities related to money laundering. The Law of Ukraine "On Financial Services and State Regulation of the Financial Services Market" adopted in May 2002 also contains important mechanisms to counteract the receipt of illegal income. The Law of Ukraine "On Banks and Banking Activity" also works to strengthen the legal basis for combating money laundering. The Coordinating Committee for Combating Organized Crime and Corruption has been established and is permanently operating in Ukraine. His competence, in addition to the tasks mentioned in the title, also includes the fight against money laundering. The Law "On Prevention and Counteraction to Legalization (Laundering) of Proceeds from Crime or Financing of Terrorism" also applies, which establishes how, in what ways and in which cases financial transactions should be monitored. The body authorized to perform such functions is the State Financial Monitoring Service of Ukraine.

Ukrainian legislation enshrines a number of basic principles set out in the Forty FATF Recommendations. But due to delays in adopting these principles, Ukraine was included in the FATF "black list" on September 1, 2001. The reasons for the inclusion of Ukraine were as follows:

Full compliance with the criteria

№ 4 - mandatory monitoring of all financial systems,

№ 8 - lack of laws on the regulation of financial institutions,

№ 10 - failure to provide financial statements on suspicious financial transactions,

№ 11 - unwillingness of the financial sector to assist the relevant authorities in preventing money laundering,

№ 14 - fictitious companies,

№ 15 - the difficulty of determining the owners of companies, their identity, etc.,

№ 16 - the difficulty of determining the management of companies,

№ 23 - participation of criminal groups in money laundering,

№ 24 - lack of laws governing the exchange of information between international legal organizations,

№ 25 - unwillingness to take adequate measures in response to violations of the law.

The reason for excluding Ukraine from the "black list" was

adoption by the Verkhovna Rada of Ukraine of laws of Ukraine

"On Amendments to the Law of Ukraine on Prevention of Counteraction to Legalization of Proceeds from Crime" of December 24, 2002 (entered into force in June 2003),

"On Amendments to the Criminal and Criminal Procedure Code of Ukraine" of January 16, 2003,

"On Amendments to Certain Laws of Ukraine on the Prevention of the Use of Banks and Other Financial Institutions for the Purpose of Legalization of Proceeds from Crime" of February 6, 2003,

Resolution of the Cabinet of Ministers of Ukraine "On the Establishment of the State Department of Financial Monitoring within the Ministry of Finance of Ukraine" of January 10, 2002 № 35, as well as approved by the Cabinet of Ministers of Ukraine № 140. [7]

These and other measures taken by the legislative and executive branches of our country gave the FATF grounds at the plenary session in Paris in February 2003 to repeal additional countermeasures (sanctions) against Ukraine.

At the regular session of the FATF, held on February 25-28, 2004 in Paris, Ukraine was excluded from the list of countries that do not contribute to the fight against money laundering. Experts of this international organization gave a positive assessment of the actions of the legislative and executive authorities of Ukraine to control financial flows in the national banking and insurance systems.

At the same time, the level of shadowing of the Ukrainian economy and finances is still too high. It significantly exceeds the level of shadowing of the economy of Central Europe. According to the World Bank, in Hungary the level of shadowing of the economy does not exceed 25%, in the Czech Republic and Slovakia - 18-19, in Poland - 27.6%

3.2. Fair competition.

Fair competition is a term that means a level playing field achieved by equalizing production costs between foreign and domestic producers and neutralizing any advantages that a foreigner may have over a domestic producer: lower taxes, cheaper labor, and so on. This argument is made in defense of protectionism, but it is wrong, because it disappears the very basis of international trade and its logical consequence is to remove barriers to trade between countries.

Competition (Latin concurrentia - coincidence, consistency) is an economic process of interaction and struggle of producers for the most favorable conditions of production and sale of goods, for the greatest profits. At the same time - the mechanism of spontaneous regulation of production in conditions of free market relations.

Competition is an important element of the mechanism of self-regulation of a market economy and at the same time a specific form of its functioning. Translated from Latin, this word means "converge", "meet". Competition is a competition between the subjects of a market economy for

the best conditions of production, a favorable position in the market and so on. It is the market force that ensures the interaction of supply and demand, which balances market prices.

Competition reflects the link between production and sales of a product. This connection is causal, essential, necessary and repetitive, ie objective economic law. Competition law reflects the causal link between the ability to create a product that consumers need and the ability to sell it to the benefit first of all for the buyer and then for the manufacturer.

Competitions of entrepreneurs, when their independent actions limit the ability of each of them to influence the general conditions of sale of goods on the market and stimulate the production of those goods that the consumer needs.

Market leader - the company that has the largest market share; of course, it initiates changes in prices, production of new products, increasing market share and the cost of promoting goods.

Leader contender - a company that ranks second in the industry and is fiercely fighting to increase its market share.

Types of competition

price - competition, which is carried out through lower prices;

non-price - competition, carried out through improving the quality of goods, their reliability, increasing service life, increasing productivity, improving sales conditions at constant prices;

pure (ideal, perfect) - competition in the market with many sellers and buyers of identical, interchangeable goods, when none of the sellers or buyers is able to significantly affect the price or sales volume;

imperfect - competition, when the market is unable to perform its functions, as a result of which, for example, individual producers are able to control prices and sales of products they produce;

monopolistic - competition that takes place in the market with many sellers and buyers and a significant number of goods sold at different prices;

oligopolistic (Greek oligos - little) - competition in a market with a few large sellers of goods that can significantly affect the selling prices of these goods; a model of market structure in which few large firms monopolize the production and sale of the bulk of goods.

control over the observance of antimonopoly legislation and legislation on protection of economic competition is carried out by the Antimonopoly Committee of Ukraine

Its legal status is determined by the laws "On Restriction of Monopoly and Prevention of Unfair Competition in Entrepreneurial Activity", "On Protection of Economic Competition" and "On the Antimonopoly Committee of Ukraine".

The Antimonopoly Committee of Ukraine The Antimonopoly Committee of Ukraine is a state body with a special status, the purpose of which is to ensure state protection of competition in business.

Peculiarities of the special status of the Antimonopoly Committee of Ukraine are determined by its tasks and powers, including its role in shaping competition policy, and are determined by the Law of Ukraine "On the Antimonopoly Committee of Ukraine" and other legislative acts. , his deputies, state commissioners of the Antimonopoly Committee of Ukraine, heads of territorial branches of the Antimonopoly Committee of Ukraine, in special procedural principles of the

Antimonopoly Committee of Ukraine, providing social guarantees, protection of personal and property rights of employees of the Antimonopoly Committee of Ukraine. .

The main functions of the Antimonopoly Committee of Ukraine

The main functions of the Antimonopoly Committee include:

1. Control over compliance with antitrust law in the creation, reorganization, liquidation of economic entities; in the transformation of governing bodies into associations of entrepreneurs, acquisition of shares (stocks, units), assets of companies and enterprises; in carrying out economic activities by entrepreneurs and in exercising the powers of central and local bodies of state executive power, local and regional self-government in relation to entrepreneurs;

2. Consideration of cases of violation of antitrust law and makes decisions based on the results of the review within its powers;

3. Appeal to the court or commercial court with claims (applications) in connection with violations of antitrust law, including:

on invalidation of acts of central and local bodies of state executive power, local and regional self-government bodies and their termination of actions restricting competition in case of non-compliance with the Antimonopoly Committee's order on cancellation of illegal acts, termination of offenses, etc .;

on compensation for damages caused by violations of antitrust law;

on seizure of profits illegally received by business entities as a result of violation of antitrust law.

The Law of Ukraine "On Protection of Economic Competition" defines the liability of economic entities for violations of antitrust law by applying the following types of sanctions:

Property liability as a sanction for violation of antitrust law and economic competition (including abuse of monopoly position in the market, the conclusion of illegal agreements between entrepreneurs, discrimination against entrepreneurs by government and administration and unfair competition), provided for in Art. 20 of the Law "On Protection of Economic Competition" and Art. 19 of the Law "On Restriction of Monopoly and Prevention of Unfair Competition in Entrepreneurial Activity", in the form of a fine imposed on entrepreneurs - legal entities in the amount of up to five percent of the entrepreneur's revenue from sales (goods, works, services) for the last reporting year, preceding the year in which the fine is imposed.

Failure to submit, late submission or submission of known inaccurate information to the Antimonopoly Committee of Ukraine and its territorial branch is imposed a fine of up to 0.5% of the entrepreneur's revenue from sales of products (goods, works, services) for the last reporting year preceding the year in which the fine .

In case of impossibility to calculate the entrepreneur's income or in its absence, the fines specified in the second paragraph of this article shall be imposed in the amount of up to ten non-taxable minimum incomes.

Operational and economic responsibility can be applied both by the Antimonopoly Committee itself and by the relevant authorities and management. At the same time, the Antimonopoly Committee carries out the compulsory division of monopoly entities. The most common types of

operational and economic sanctions applied by the authorities are: revocation of licenses and termination of foreign economic transactions.

In cases where entrepreneurs abuse their monopoly position in the market, the Antimonopoly Committee has the right to adopt a resolution on the forced separation of monopolies. This sanction does not apply in the following cases:

in case of impossibility of organizational or territorial separation of enterprises, structural subdivisions or structural units;

in the presence of close technological connection of enterprises, their structural subdivisions or structural units, if the share of internal turnover in the total gross output of the enterprise (associations, etc.) does not exceed 30%.

Revocation of licenses is carried out by the bodies specified in the Law of Ukraine "On licensing of certain types of economic activity" on the proposal submitted by the Antimonopoly Committee.

The main function of the bodies exercising state control over the observance of antimonopoly legislation and economic competition is to consider cases of its violation.

Such activities of the Antimonopoly Committee are carried out in accordance with the Provisional Rules for Antitrust Violations of Ukraine, approved by the Antimonopoly Committee of Ukraine on April 19, 1994. These Rules determine the procedure for consideration by the Antimonopoly Committee of Ukraine and its territorial branches. unfair competition in business ", " On protection of economic competition "and" On the Antimonopoly Committee of Ukraine ". Such cases within the competence are considered:

Committee;

permanent administrative board;

temporary administrative board;

state commissioner;

head of the department.

Heads of branches of the Antimonopoly Committee have subordinate cases on:

abuse of monopoly position, illegal agreements between entrepreneurs, unfair in the relevant regional market;

discrimination of entrepreneurs by local bodies of state executive power, bodies of local and regional self-government, regional bodies of management of public organizations and associations of entrepreneurs;

failure to submit, late submission or submission of known unreliable information;

evasion of execution or untimely execution of decisions of department officials;

administrative offenses under Art. 164-3 166-1, 166-2, 166-3 and 166-4 of the Code of Ukraine on Administrative Offenses.

The State Commissioner has jurisdiction over:

abuse of monopoly position, illegal agreements between entrepreneurs, unfair competition in the national market;

forced division of monopolies of the regional market;

evasion or untimely implementation of the Committee's decisions;

evasion of compliance with the requirements of the normative acts of the Committee by entrepreneurs in most matters within the competence of the Committee, administrative boards or the state commissioner;

failure to submit, late submission or submission of inaccurate information to the Committee;

administrative offenses provided for in Articles 164o 166-1, 166-2, 166-3 and 166-4 of the Code of Ukraine on Administrative Offenses.

The Interim Administrative Board is responsible for cases of forced separation of monopolies operating in the state market.

Permanent administrative board has jurisdiction over:

discrimination of entrepreneurs by officials of central bodies of state executive power, regional, Kyiv and Sevastopol city state administrations, their heads and local councils, central governing bodies of all-Ukrainian public organizations;

evasion of compliance with the requirements of the Committee's regulations by central executive bodies, oblast, Kyiv and Sevastopol city state administrations, their heads and councils, central governing bodies of all-Ukrainian public organizations.

It should be noted that the committee may accept and consider any case of violation. In addition, the Chairman of the Committee and his deputies have the right, at the request of the parties and third parties involved in the case, or on their own initiative to request any case before the body or official authorized to consider the case and transfer it to consideration by another body or official.

The grounds for instituting proceedings may be:

submission of government and administration bodies, applications of entrepreneurs, public associations, citizens;

submission of officials of the Antimonopoly Committee or branches regarding directly identified signs of violations.

The statement of violation shall be considered within 30 calendar days by the state commissioner or the head of the department and the presence of signs of violation of antitrust law or legislation on protection of economic competition by the state commissioner of the branch.

The following cases are considered:

on non-submission, untimely submission of information - within five days from the date of submission of the submission to the official Committee or branch;

on compulsory division of monopoly formations - within six months;

all other cases - within three months from the date adopted by the state commissioner, the head of the department of the order to begin consideration of the case.

The last two terms may be extended for an additional two months.

Based on the results of the case, the body or official accepts:

resolution - on the issues of forced division of monopolies;

decision - in resolving essentially other cases of violation of antitrust law or economic competition.

The decision or resolution of the Antimonopoly Committee or its branch is binding.

The mentioned documents indicate the results of the case on the merits, give reasons for the decision, indicate the actions that the parties must perform or refrain from, and the timing of their implementation.

In the case of establishing signs of a crime, the body or official considering the case, submits submissions to law enforcement agencies or sends them the relevant materials for consideration on the merits.

Decisions in cases of violation of antitrust law or economic competition may be appealed to a court, commercial court in the manner prescribed by Art. 24 of the Law of Ukraine "On Restriction of Monopoly and Prevention of Competition in Entrepreneurial Activity". Submission of the application does not suspend the execution of decisions for the time of consideration of the case in court or commercial court, if they have not made a decision to terminate the said acts.

System of bodies of the Antimonopoly Committee of Ukraine

The Antimonopoly Committee of Ukraine is formed of the Chairman and ten state commissioners. Two first deputies and three deputies of the Chairman of the Antimonopoly Committee of Ukraine are appointed from among the state commissioners.

The Antimonopoly Committee of Ukraine forms territorial branches. One of the state commissioners of the Antimonopoly Committee of Ukraine is also the head of the Kyiv City Territorial Branch of the Antimonopoly Committee of Ukraine.

The Antimonopoly Committee of Ukraine and its territorial branches constitute the system of bodies of the Antimonopoly Committee of Ukraine, headed by the Chairman of the Committee. The Antimonopoly Committee of Ukraine, its territorial branches are legal entities, have current and deposit accounts in bank institutions, seals with the image of the State Emblem of Ukraine and its name.

The Antimonopoly Committee of Ukraine, administrative boards of the Antimonopoly Committee of Ukraine, state commissioners of the Antimonopoly Committee of Ukraine, administrative boards of territorial branches of the Antimonopoly Committee of Ukraine are bodies of the Antimonopoly Committee of Ukraine.

In the field of control over compliance with the legislation on protection of economic competition, the Antimonopoly Committee of Ukraine has the following powers:

to consider applications and cases of violations of the legislation on protection of economic competition and to investigate these applications and cases;

to adopt orders and decisions on applications and cases provided by the legislation on protection of economic competition, to check and review decisions in cases, to provide conclusions on the qualification of actions in accordance with the legislation on protection of economic competition;

consider cases of administrative offenses, adopt resolutions and check their legality and validity;

to inspect business entities, associations, authorities, local self-government bodies, administrative and economic management bodies and control over their compliance with the requirements of the

legislation on protection of economic competition and during investigations into applications and cases of violations of the legislation on protection of economic competition;

when considering applications and cases of violation of the legislation on protection of economic competition, conducting inspections and in other cases provided by law to require business entities, associations, authorities, local governments, administrative and economic management and control bodies, their officials and employees, other individuals and legal entities information, including restricted access;

appoint an expert and an expert from among the persons who have the necessary knowledge to provide an expert opinion;

in cases and in the manner prescribed by law, to inspect the office premises and vehicles of business entities - legal entities, to seize or seize objects, documents or other media that may be evidence or source of evidence in the case, regardless of their location;

in case of obstruction of the employees of the Antimonopoly Committee of Ukraine in the exercise of their powers provided for in paragraphs 4, 5 and 7 of this part, to involve law enforcement officers to apply measures provided by law to overcome obstacles;

to involve employees of internal affairs bodies, customs and other law enforcement bodies to ensure the consideration of the case of violation of the legislation on protection of economic competition, in particular in the case of an investigation;

to involve specialists of state authorities, local self-government bodies, enterprises, institutions, organizations in coordination with their heads, deputies of local councils with their consent;

to conduct market research, determine the boundaries of the commodity market, as well as the position, including monopoly (dominant), of economic entities in this market and make appropriate decisions (orders);

determine the presence or absence of control between economic entities or their parts and the composition of the group of economic entities that is the only economic entity;

to submit to the bodies of executive power, local self-government bodies mandatory for consideration applications for revocation of licenses, termination of operations related to foreign economic activity of economic entities, in case they violate the legislation on protection of economic competition;

make mandatory recommendations to the authorities, local governments, administrative and economic management and control bodies, business entities, associations to stop actions or inaction, which contain signs of violations of legislation on protection of economic competition, and eliminate the causes these violations and the conditions that contribute to them;

apply to the court with claims, applications and complaints in connection with the application of legislation on protection of economic competition, as well as requests for information on court cases considered by these courts in accordance with the legislation on protection of economic competition;

to apply for and receive from the competent authorities of other states the necessary information for the exercise of their powers;

to provide information to the competent authorities of other states in the cases and in the manner prescribed by law;

to exercise other powers provided by the legislation on protection of economic competition.

3.3. Philosophy of total quality management.

Total quality management is a management system based on the production of quality products and services from the customer's point of view. TQM is defined as a customer-focused, fact-focused, quality-driven, team-driven team process. TQM aims to systematically achieve the strategic goal of the organization through continuous improvement. The principles of TQM are also known as "overall quality improvement", "world-class quality", "continuous quality improvement", "overall quality of service" and "overall quality of management".

The word "general" in the concept of "Total Quality Management" means that every employee of the organization should be involved in this process, the word "quality" means caring for customer needs, and the word "management" refers to employees and processes required to achieve a certain level. quality.

Total quality management is not a program; it is a systematic, integrated and organized style of work aimed at its continuous improvement. This is not a managerial whim; it is a time-tested management style that has been used successfully for decades by companies around the world.

TQM is based on the following principles [source?]:

consumer orientation

attracting employees, which allows the organization to take advantage of their abilities

approach to the quality system as a process

system approach to management

continuous improvement .

The combination of quality assurance, management and improvement is an activity in the quality system. Quality management is an aspect of the overall management function that defines and implements quality policy. Includes operational planning, resource allocation and other systematic actions in the field of quality, such as quality planning, work and evaluation of results.

Based on the general methodology of integrated quality management in different countries, taking into account their national and economic conditions in the 1960-70's, specific organizational approaches to quality management at the firm level were formulated. The most famous of these are the concepts:

- TQM - comprehensive quality management,

- CWQM (Company - Wide Quality Management) - integrated quality management within the firm.

The concept of TQM is based on the construction of a quality management system that covers all aspects of the enterprise.

The concept of CWQM involves participation in the work on the quality of all staff of the company - from the president to the average worker. The system is one of the most common scientific categories today. There is currently no generally accepted understanding of the term "system". In the most general form, the system is understood as a whole, interconnected set of objects of any nature.

System - a set of rules, patterns that are used in solving problems on different types of objects. Management, in its most general form, is an element, a function of organizational systems of

various natures, ensuring the preservation of their specific structure, maintaining the mode of operation, implementation of their programs and goals.

Integrated quality management is a modern form of management - a system of management of recreational enterprises in market conditions, focused on achieving commercial success through the production of services of the required level of quality. The experience of prosperous firms shows how much action is needed to develop the firm and achieve a culture of quality. The essence of quality management is reduced to continuous repetition of the cycle: "planning - action - control of results - corrective action".

This is a closed cycle of any activity (cycle of continuous transformation), suitable for use in various processes. It is known as the PDCA cycle ("Plan-do-check-action").

The Deming cycle can be described as follows:

- planning - creating goals and processes that are necessary to achieve results that meet the requirements of consumers;
- implementation - implementation of management systems of this process, implementation of necessary actions;
- study (inspection) - constant measurement and control of processes and products, in accordance with the objectives and requirements for a particular product;
- action - the implementation of actions for continuous improvement of process indicators.

This cycle is universal and acceptable to almost all processes in organizations. But different companies and organizations are developing different approaches to continuous process improvement. Example:

- identification, as well as selection of problems - determination of the current and desired result, detection of inconsistencies;
- analysis of problems - identification of causes and distribution by importance;
- development of possible decisions - documentation of the list of corrective actions;
- the choice of implementation of the decision and its planning - development of the plan of corrective actions, creation of the plan of carrying out and an assessment of changes;
- implementation of decisions - implementation of agreed corrective action plans;
- analysis of the decision - the coordinated analysis of efficiency of the decision, consideration of a new problem.

Not all organizations and companies achieve the desired result in the process of improvement. Among the reasons is the lack of integrated management systems and statistical thinking, which leads to the creation and awareness of the Deming Cycle.

Regarding the process of improving quality, E. Deming proposed a quality cycle (Deming cycle):

- design - production - inspection,
- sales - study of demand, service,
- closed cycle of activity: a - PDSA cycle; b - quality cycle (Deming cycle).

Objects of quality management of products or services are all the elements that form the quality loop. Under the quality loop in accordance with international standards ISO means closed in the form of a ring - the life cycle of products (services), which includes the following main stages:

marketing; design and development of technical requirements, product development; material and technical supply; production preparation and development of technology and production processes; production; control, testing and inspection; packaging and storage; sales and distribution of products; assembling; operation; technical assistance and maintenance; utilization. It should be borne in mind that in practice for planning, control, analysis, these stages can be divided into components. The most important thing here is to ensure the integrity of quality management processes at all stages of the life cycle of products (services).

At all stages of the SDCA cycle, continuous monitoring of activities should be provided:

- at the stage of standardization - it is necessary to plan an inspection;
- at the stage of action - to manage the inspection;
- at the stage of control - to obtain information on the results of the inspection;
- at the stage of corrective actions - to analyze these results and adjust the process.

Controllers in this work act as consultants.

The purpose of quality policy is to take into account the interests of consumers in the development and production of necessary services and constantly improve quality without additional cost of material, human and financial resources of the enterprise.

The service quality management system in the process of implementation and improvement is an organic interaction with other social and production systems of recreational enterprises and, above all, with such as management of recreational product development (routes, tours), production planning, technological preparation, material and financial resources, quality of work, training, etc.

Together, these systems cover all areas of the recreational enterprise:

- production,
- economic,
- social,
- technological.

When developing a service quality management system in a recreational enterprise, organic, planned interaction of all its subsystems at all stages of operation must be ensured. The main ones are the following control subsystems:

- planning of tourist routes, tours, improvement of service programs;
- economic management methods to improve the quality of service;
- technological and technical preparation of the material base for tourist services;
- organization of processes of service provision and implementation of service programs;
- training, retraining and use of personnel;
- quality of work of the executor;
- social development of the workforce.

Lecture 4. Corporate business culture. Social responsibility and social consciousness of a modern entrepreneur.

4.1.1. The essence and content of the concept of "corporate culture".

4.2. Corporate (corporate) style.

4.3. The relationship of the entrepreneur with the fiscal authorities.

4.1.1. The essence and content of the concept of "corporate culture".

Recently, the issue of corporate culture, especially in large organizations, is increasingly attracting the attention of management theorists and practitioners. It is relatively new and insufficiently covered from a scientific point of view both in our country and abroad.

Before defining corporate culture, it is advisable to start with defining culture in general, although this is not easy to do. Disclosure of the essence of corporate culture should be based on the definition of "culture".

There are different approaches to understanding the side of social reality that is behind the concept of culture. At the International Philosophical Congress in 1980, more than 250 definitions of this concept were given. Various sources range from 250 to 500 definitions of culture [52], which indicates the active development of the research field related to this concept, on the one hand, and on the other hand, the specifics of the concept of culture - one or another of its concepts is forever inscribed in the ideological context of a particular historical type of culture.

The phrase "corporate culture" was first used in the 19th century in military terminology by German Field Marshal Moltke to describe relations in the officer corps.

In the second half of the XX century, the first more or less clear definitions of the culture of the organization began to appear. The concept of corporate culture covers the phenomena of spiritual and material life of the team, namely: the dominant moral norms and values, code of conduct, rituals and others. The concept of this phenomenon does not have a single interpretation.

Functional definitions of corporate culture describe the functions of corporate culture in the organization: the role of culture as a comprehensive mechanism for regulating behavior and transmission of values between employees of the organization, as well as its social role.

Psychological definitions of corporate culture describe the features of the employee's adaptation to the organizational environment, the formation of habits and training of the employee.

Descriptive definitions of corporate culture include a list of all elements of corporate culture - an exhaustive list of everything covered by corporate culture.

Historical and genetic definitions of corporate culture - the authors proposing definitions of this nature include the concept of corporate culture processes of social and cultural inheritance, tradition, the ability of corporate culture to develop and employee participation in its transformation and change.

Normative definitions of corporate culture - this type of definition combines those interpretations of culture that are focused on norms and patterns of behavior, generally accepted or expected patterns of actions and actions of employees of the organization.

Basic approaches to determining business responsibility. The concept and content of social responsibility of entrepreneurship. Participation of entrepreneurs in solving social and socially

significant tasks and problems. The relationship of the entrepreneur with the fiscal authorities. Entrepreneur in the labor market (job creation, employment promotion).

Summarizing the above definitions, we can conclude that corporate culture is a system of values, beliefs, convictions, ideas, expectations, symbols, as well as operating principles, norms of behavior, traditions, rituals, etc., developed in the organization or its departments during the period of activity and which are accepted by the majority of employees.

The general category of defining corporate culture is a system of personal and collective values that are perceived and shared by members of the organization, as well as a set of techniques and rules for solving external adaptation and internal integration of employees who have justified themselves in the past .

In the process of identifying important cultural values for the organization, managers must take into account the external environment, as well as the strategy and goals of the company. There are four types of corporate cultures, in which the values of strategy and the external environment are differently correlated. They differ in two respects:

- compliance with the degree of flexibility or level of stability set by the external environment;
- internal or external strategic focus of the company.

According to these indicators, four types of corporate culture are formed: adaptive, results-oriented, clan and bureaucratic.

Adaptive culture arises in an environment that requires the organization to respond quickly and make decisions in high-risk situations. In such a culture, the emphasis is on the development of values that facilitate the rapid detection, interpretation and translation of environmental signals into new behavioral responses of the company. In companies with such a culture, employees have the right to make their own decisions and determine actions according to emerging needs.

A results-oriented culture is typical of organizations that operate in an environment that does not require special flexibility and clear changes and is to serve well-known customers. For such companies, the main focus is on the result, so the main values in such a culture are competitiveness, personal initiative, willingness to work hard. The desire to win and achieve high goals is the cementing basis of such organizations.

Clan culture has an internal orientation. It focuses on involving employees in the process of accelerated compliance of their activities with changes in the external environment. The main values of this culture - meeting the needs of employees, the atmosphere of care, family relationships. In organizations with such a culture, cooperation is valued, the interests of both customers and employees are taken into account, and no attention is paid to differences in the status of employees.

Bureaucratic culture is characterized by internal orientation and focus on the stability of the external environment. In this culture, compliance with the rules and frugality are most valued, methodical rational and orderly approach in all aspects is encouraged. However, most companies today operate in a rapidly changing environment that requires flexibility and rapid internal organizational change. Therefore, most organizations move away from this type of culture.

4.2. Corporate (corporate) style.

Corporate style is a set of color, graphic, verbal, typographic, design, permanent elements (constants) that provide visual and semantic unity of goods (services) of all information coming from the company, its internal design.

The main goals of corporate identity can be called the identification of products and an indication of their relationship with the company, the selection of these products from the total mass of similar

products of its competitors. The presence of corporate identity indicates the confidence of its owner in the positive impression he makes on the consumer.

Corporate identity is what makes a company recognizable, advertising - what is remembered. It is manifested in the repetition of the basic elements of corporate design (logo, colors, fonts) on all elements of the advertising campaign.

When creating a corporate identity, keep in mind that the chosen style should ideally look good both on a business card 90×50 mm and on a billboard with an area of 5 m², both in color and in black and white (for example, facsimile copy).

In the course of the company's work, forms and templates of documents are used for business correspondence. Stationery and business documentation are important tools in the field of corporate style and business communication. Therefore, it is very important that the corporate logo is depicted uniformly and correctly on these documents. There are many samples of stationery and business documents. The use of corporate logo, brand fonts and colors creates a diverse and harmonious visual range of stationery and business documents. Each sample is accompanied by a brief description and a detailed construction scheme, on the basis of which you can create any business document. Printed letterhead is one of the main ways of acquainting partners with the company, all letters, regardless of to whom they are addressed, are created in a single way, the corporate mark is indicated unobtrusively, but must be present on the form. A business card is another way for the audience to get to know the company and its employees. This sample of business printing, as well as the letterhead, can be bilingual. In addition to the above examples, business printing includes envelopes, notebooks, questionnaires, badges. Also, this includes representative printing: invitations, folders, stickers, letters of thanks, certificates, postcards. Color folders are used to simplify document identification. Regardless of the purpose and composition of the brand folder, the corporate logo is placed in the lower right corner without inversion and without overlaying the corporate logo on a slide or colored corporate background.

Corporate magazine, flyer, newsletter and external print media are a powerful tool for creating a corporate philosophy that simultaneously creates an image of the company in the internal and external environment. The main elements of the booklet design clearly indicate the image and character of the company. They are maintained in a free, democratic, open graphic manner. To create an additional feeling of lightness and dynamism, it is desirable to avoid high density of photographic material. The covers use slides as part of a creative concept. The logo of the magazine is given on a colored or white plate with an additional color palette (it is possible to place the logo on a translucent plate). The structure of the magazine's headings uses colors from an additional branded palette for convenience and ease of navigation. The basis of the magazine is a standard modular grid.

Corporate identity is the main part of any company's branding. The basis of creating a corporate identity is the selection of successful design of those products that meet your customers and partners. It has been proven that the right choice of corporate identity significantly affects whether the buyer chooses your product or service among competitors. It follows that this concept helps to compete in a huge market in any industry.

Creating a unique corporate identity is quite a costly procedure, but it is worth it. The main advantages of quality corporate identity are:

Quality corporate identity is the "face" of your image. With well-chosen colors and fonts, you can increase not only the visibility of your brand, but also the loyalty of the target audience, which will ultimately increase sales of your product or service;

Unique corporate identity is the first factor that helps you stand out from the crowd. It follows that the better the style - the better the "feeling" of the company;

Corporate style is needed by absolutely all organizations. There is an opinion that corporate identity is a fashionable "problem" that only large corporations need, but this is not the case;

Thanks to the corporate style, it is possible to develop a stable associative series among consumers. For example, a mix of red and white is Coca-Cola, a mix of yellow, white and red is McDonalds.

First of all, the basis of any corporate identity is a range of colors. As a rule, combine several colors - two or three, rarely four. We recommend that you choose not the colors that you personally like as the owner, but those that will work to promote your business. Remember that red color not only attracts attention, but is also a strong pathogen of the human nervous system. Also, this color is often associated with aggression. Yellow symbolizes a good mood and sincere pleasure. Green has long been a symbol of ecology, proper nutrition and a healthy lifestyle. Blue is a symbol of peace and trust, which is why, using it, you can significantly expand the number of fans of your brand. In any case, each color has several values and with the combination of two shades, these values can be adjusted. To choose the most accurate color scheme that will be perfect for your company, it is better to turn to experienced marketers and designers.

Once you have decided on the perfect color palette, you need to move on to the second stage. He is considered the most responsible and time-consuming. At this stage, you need to decide what your logo will look like, employee clothing (if, of course, this item provides for the organization's charter), branded unit (brand name + logo), brand book, business cards, badges, favicon (your site icon displayed in browsers), handouts (packages, notebooks, pens). Remember that all material must be made strictly in your corporate style.

Also at this stage is the choice of company name. Ideally, the name should represent your business. A good example of naming is Lask washing powder, which gives clothes the desired purity. This is an additional "hook" that catches consumers.

If you are planning to enter the international market in the future, you should consider how your name will be perceived in the country where you will be represented. A very striking example of failed naming can be considered a well-known company in the late 90's, specializing in the sale of selected drinking water "Blue Water". Yes, in the United States and in some European countries, this name did not arouse suspicion, but in Ukraine and Russia it caused a strong negative association. It is easy to guess that after entering our markets, this company suffered huge losses.

4.3. The relationship of the entrepreneur with the fiscal authorities.

Etiquette - a system of rules of conduct in public places in contact with other people.

The word "etiquette" (from the French Etiquette) comes from the name of the cards - "labels", which in France under Louis XIV were distributed at secular receptions. They set out the rules of conduct, which were observed by the masters of ceremonies.

Modern etiquette determines the norms of behavior in different circumstances: on the street, at work, on a visit, at official receptions. There are several types of etiquette: diplomatic, court, civil, official, business, professional. The most official are diplomatic and court. Professional - regulates the performance of duties of representatives of any profession.

A set of rules of initial interpersonal interaction relating to the external manifestation of attitudes toward people.

For all the simplicity of the rules of mutual greetings and ideas, they require some knowledge and sufficient attention. Modern business etiquette has some rules for dating and greetings, depending on the gender, age and position of people, as well as whether they are in a group or alone. The primary rule of congratulations is that in any situation, it should show your affection and kindness.

The nature of the greeting should not be affected by your mood or negative attitude towards the other person.

In the process of the relationship may be different situations that have the specifics of greeting, introducing each other or shaking hands. This specificity is expressed mainly in who has the right or obligation to be the first in these actions.

There are a number of generally accepted rules of etiquette that must be followed in presentations and acquaintances. Yes, a man, regardless of age and position, is always presented to a woman first. Younger men or women by age or position should be represented as older, not the other way around. In an equal position (rank) the younger is represented to the older, the subordinate - to the boss, one person is represented to the couple, group, society, even a woman is represented to the couple first.

Economic partnership involves the implementation of joint business activities of government agencies and business structures aimed at obtaining non-tax budget revenue through the use of resources of the business sector.

Legal partnership is a joint organization of the process of regulating business activities by the state. To do this, business structures can participate in working groups to develop legislation, create self-regulatory organizations with the involvement of experts from public authorities, as well as use other forms and methods of state influence on business development.

Organizational partnership is a different form of participation of representatives of one party in the structural units of the other side of the interaction. For example, it may be, on the one hand, the participation of state representatives in the corporate governance bodies of the business structure, and on the other - the participation of business representatives in the bodies that influence government decision-making. According to these forms, scientists propose the following classification of types of partnerships between business and government.

First, economic cooperation includes: state unitary enterprises; state corporations; state-owned corporations; 4. Public-private partnership; market relations (purchases, tenders, investment contracts).

Secondly, legal interaction includes: state regulation of business activities; state regulation of competition; state regulation of the interaction of state and business structures.

Third, organizational interaction involves: mutual participation of representatives of the parties in the activities of other parties; government order.

If the state is ready to finance the solution of certain tasks, it can choose the appropriate form and type of interaction depending on the required degree of its participation in solving these tasks. When placing government orders, as a rule, the organizational form of interaction is used and the market type is chosen. Within the framework of market interaction, there are more or less effective principles, forms and means of organizational interaction of business with public authorities and administration. Scientists believe that it is advisable to emphasize the characteristics of the most significant types (methods), which are as follows: contract system; cooperation in the investment sphere; lease, concession, trust of state property [4].

As for the contract system, it is a qualitatively defined type of implementation of the state order for the production of goods and services in the business sector of the economy. Contracting is a way of interaction between the state and business, based on the system of economic and contractual relations between them on the production of goods and services by the business sector of the economy for state and municipal needs at the macro and micro levels. In essence, it is consistently market, competitive, as it involves the placement of government orders on the basis of a complex

administrative and economic mechanism of bidding, ie open or closed competition. The bidding system performs three functions: first, the function of ensuring competition among potential suppliers of goods and services and the most economical placement of public procurement; secondly, the function of its guaranteed performance in accordance with the agreed conditions and terms; third, the function of providing conditions for long-term business planning, as purchase and sale agreements for goods and services are concluded before their production by business structures and, as a rule, for a long time (for example, in the US long-term contract involves contracting from 500 million to 10 billion dollars in 5-10 years).

Public funding is based on budgetary capabilities and the mobilization of banking and industrial capital, including companies' own funds, commercial banks' borrowings provided by state-guaranteed contractors, direct loans to contractors provided by government agencies; state stage-by-stage coverage of the company's expenses under the contract; full state and partial financing of the company under the agreement. Important is the fact that the vast majority of government loans to contractors have an interest-free basis.

The selection of a subcontractor by the general contractor is also carried out, as a rule, on a competitive and contractual basis. In addition, the law, for example, when placing orders for new equipment and technologies, R & D programs at all stages of their implementation requires contracting authorities to nominate an additional group of competing contractors. They must present their proposals at each stage of the order, regardless of whether the whole or its parts have been pre-tendered and their execution has been transferred to other companies. This principle of competition in the contracting process, referred to in the United States as a "second contractor corporation", is particularly common in R&D.

Legislative and oversight of the entire contracting system is performed by the US Congress, which annually passes the Program Authorization Act and the Appropriations Act. They determine the types and quantities of products purchased for the needs of the state; defines the entire unified federal contract system of the United States, which carries out planning, organization, program development, management, control and reporting.

In these circumstances, the state contract is a powerful means of state implementation of its functions through the effective connection of the private business sector to this process. Each contract reflects the fundamental components of economic, scientific, technical, social, foreign policy, foreign trade and military policy of the country. This is achieved, first of all, by the fact that in the economic and financial relations provided by the contract, the government acts as the only legal entity that imposes special obligations on the supplier.

The state contract system is not only a specific form of distribution of investment goods in a market economy, but also the most important type of economic partnership between government and business. Such a system should be based on the balance of economic interests of the state and entrepreneurship as a whole, rather than its individual economic structures, which have ample opportunities to lobby to obtain favorable orders to meet certain state needs, which is typical of modern Ukrainian practice. The regime of fierce competition, transparency, accessibility and publicity of contracting at the state, regional and local levels should become the main principles of building the state contract system of Ukraine.

Regarding cooperation in the investment sphere, it should be noted that both government and business structures are equally interested in having a favorable investment climate. Interaction in this area is extremely important for normal, sustainable economic growth. It is especially important for modern Ukraine. The reasons for the difficult situation in the investment sphere are, first of all: the inflated price of credit resources relative to inflation; deficit of savings; reduction of own funds of enterprises, reduction of realized state investments; financing of state target programs on a residual basis; unjustifiably low share of corporate securities compared to government securities.

Forms and technologies of business-government partnerships in the investment sphere can be very diverse. However, all of them should be based on a favorable investment climate, which provides for the provision of state guarantees to private investors; providing targeted depreciation, tax and credit benefits; formation of organizational and legal conditions that stimulate investment activity, the existence of an effective mechanism of direct public and mixed public-private investment financing. All this means that the state's support for the investment climate in one or another quality state is a method of investment interaction between government and business.

Currently, an approach is being implemented that provides for state participation in the financing of up to 50% of investments in projects that have passed the competitive selection. Conditions for participation in the tender provide for a payback of investments of up to two years, if it is proved that production is met by effective demand, and the participation of private investors in their own funds will be at least 20%. The rest can be covered by loans. There are also two promising areas of state support for private investment - based on project certification and state guarantees to investors.

Certification of projects provides an opportunity to increase the share of state support. State guarantees are rightly considered by investors as the best form of their state support. According to the conditions, these guarantees should not cover the entire amount of risk, but for a certain part of it should provide for the return of resources in the event of failure of the certified investment project for reasons beyond the investor's control.

However, it should be noted that despite the progress in developing and implementing effective mechanisms of state support for private investment, this area of cooperation between government and business structures is not fully operational due to insufficient development of methods for selecting projects for public funding. One of the main problems is the lack of state strategic priorities, which prevents the selection of the most important projects for public funding.

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