

## **CORPORATE SOCIAL RESPONSIBILITY IN UKRAINE: AREAS OF MANIFESTATION AND PROBLEMS AGAINST GLOBAL AND NATIONAL TRENDS**

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The corporate social responsibility is the fundamental principle of the welfare state formation and functioning, which significantly affects: the quality of interaction between tripartite institutions – employers, trade unions (as authorized representatives of employees, and therefore – as representatives of the population significant part) and the state; the level and solidarity of social security (in the broadest sense of this social phenomenon); the preservation and reproduction of the qualified components of labour teams and the workforce of the national economy as a whole; the equalization of the life quality and the spectrum of starting opportunities for residents of local territorial communities. As a result, the socially responsible behaviour of business entities contributes to the sustainability and resilience of both themselves and the state in turbulent conditions of the external competitive environment and socio-economic transformations [1, p. 56–58; 2; 3, p. 467–468, 4, p. 4].

The modern globalized world strives to unify standards of production and consumption, lifestyle technological foundations, while simultaneously diversifying the supply of goods and services for individual consumers, as well as life strategies for the self-realization of personal (including professional and labour) goals and abilities. Among the factors that promote manifestations and programs of corporate social responsibility in such a world, national and foreign researchers often note: the growing interest of investors, partners and consumers in companies that adhere to ethical and environmental criteria, practice philanthropy, and are generally socially safe (in the broadest sense of this concept); the rapid strengthening of these criteria in the business reputation formation; the transformation of social initiatives (including social guarantees for personnel) into a competitive advantage in the practice of qualified employees' selection, which sometimes exceeds the importance of remuneration level; the interest of increasingly wider categories of the population in consuming products that meet the criteria of social security of business and production itself; the companies' active social position as a factor in revitalizing their cooperation with state and civil society institutions,

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competitive domestic and foreign marketing [1, p. 56, 58–60; 2; 3, c. 467–468]. As a result, these studies conclude that the responsibility of an average company not only reflects the responsibility of its management, first of all (regarding the provision of income to shareholders, recognition of its own functioning as an institution of society that must share its economic, legal, and ethical expectations from business), but also objectifies assessments of business ethics, changes and the level of coherence of social and corporate values' system, the quality and effectiveness of the information environment, as well as forms of control by the state and civil society institutions [1, p. 57; 2; 3, p. 468–469].

Manifestations of socially responsible behaviour of global and Ukrainian business can be studied separately in relation to: individuals (employees, their specific categories, the population of territorial communities, in particular, of the production base locations); characteristics of management and business entities' prospects (including in the context of expanding their opportunities for participation in national and regional programs for sectoral and territorial development, as well as for social assistance, protection, responsibility); the state (in particular, in the context of conscious and honest observance of the employees' social and labour rights, preservation and development of the human and labour potential of production teams and territorial communities, optimization of the non-financial component of entrepreneurial activities and reporting, taking into account the benchmarks of the national business' competitive image in foreign markets) [1, p. 58–60; 3, p. 469–470; 4, p. 1, 4; 5, p. 141].

In general, government institutions around the world and major international organizations define the internal and external social responsibilities of business [3, p. 469; 4, p. 1]. Manifestations of corporate social responsibility, which focused primarily on meeting the needs of business entities for a quality workforce and ensuring the life quality of labour teams, include, in particular: the level and stability of wages in accordance with recognized public criteria for decent labour remuneration, standards for labour reproduction; compliance with a set of requirements for occupational safety and health, quality of workplaces; guaranteeing social packages, bonuses, and assistance for employees that aimed at increasing the level and comfort of their work and non-work activities, the lives of their families (including in difficult life circumstances related to the birth and care of children, illness, accidents, loss of working capacity, death), as well as at strengthening motivations for productive work; programs and measures for career growth, professional education, and advanced training for personnel and job seekers.

Among the clear external signs of socially responsible business, first of all, there are: conscious consumption of renewable and non-renewable natural resources, fulfilment and improvement of requirements for technogenic and

environmental safety of production, logistics, sales and consumption of business entities' products, compliance with products' consumer standards, their improvement; charity contributions and donations, participation in programs of social assistance, territorial and social development of local communities and regions, initiatives to launch such events; patronage, philanthropy, sponsorship of gifted and socially vulnerable persons.

During the martial law period, the content and scope of the corporate social responsibility in Ukraine underwent expected and tangible transformations, while continuing to keep up a number of fundamental aspects and directions determined by the priorities of maintaining competitiveness, corporate reproduction and development in the globalized world of productive, entrepreneurial, logistical, and marketing innovations. Numerous Ukrainian studies confirm that during the martial law period, business entities, whose management is focused on preserving and increasing their own competitiveness through the tasks of joining state programs, increasing the efficiency of their implementation, establishing and expanding their presence in foreign markets, demonstrate high levels of social responsibility aimed both at their own personnel and at implementing the relevant goals of communities and society as a whole [3, p. 471–473; 4, p. 1–2; 5, p. 141–145]. Characteristic manifestations of the corporate social responsibility in Ukraine during the martial law period were: practice of full wages' payment, fulfilment of social guarantee packages to employees in conditions of businesses' specific production and logistical difficulties; assistance in implementing a range of defence programs (including in accordance with the state and territorial tasks of developing defence infrastructure, providing weapons, their components and consumables), as well as to the armed forces and territorial defence units; participation in the relocation, improvement of the life quality (in particular, in evacuation, placement, provision of humanitarian aid, medical care, employment) of the affected population, development of the sphere of internally displaced persons' productive employment [3, p. 471–473; 4, p. 1–2; 5, p. 141–145].

Among the main problems of stimulating socially responsible behaviour of business entities in Ukraine, expanding the spectrum and scale of relevant projects, today it is usually noted [1, p. 61; 2; 3, p. 469; 5, p. 141, 146]: the weakening of the business community's motivations to implement socially responsible behaviour due to the shortcomings of its regulatory and legal incentives, in particular, due to the objective limitation of such fiscal incentives; shortage of organizational and legal conditions for the implementation of European experience of corporate social responsibility in Ukraine against the background of relatively smaller enterprises' financial capabilities; a rather low level of corporate and public awareness of the role of social guarantees for

personnel and externally oriented social measures in the management of strengthening business structures' competitive positions, which leads to underinvestment of programs for social responsibility; lack of regional programs for the development of socially responsible business and management (in particular through the tasks of protecting the environment, territorial communities and their labour potential), related to the same activities of the state and charitable organizations; accumulation of difficulties in the practice of increasing the level of involvement of both the population and territories affected by military operations in such programs and activities due to the growing destabilization of the business environment and economy.

It is expected that the difficulties of the post-war recovery period (primarily, related to: the scale of destruction of industrial, housing, transport and public infrastructure; labour shortage and its cross-border outflow, especially noticeable for the categories of highly skilled workers and workers of younger working age; sectoral and territorial imbalance of investment programs) will become a significant challenge for the implementation of corporate social responsibility measures in Ukraine. In such conditions, first of all, business will respond to a number of purely economic problems, especially noticeable in conditions of an objective decline in the investment attractiveness and competitiveness of the national economy as a whole. Therefore, in the context of the Concept of implementation of state policy in the field of promoting the development of socially responsible business in Ukraine until 2030, the state has to determine the basic support (regulatory, fiscal, administrative, marketing) for a socially responsible business, including taking into account a range of possible economic risks in territories affected by military actions to varying degrees [4, p. 2–3].

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