

O. Gantsovskiy,
postgraduate student
Zaporizhia State Engineering Academy
e-mail: teck-t@yandex.ua

V. Voronkova,
Doctor of Philosophy Sciences, professor, Head of the Department of Management of Organizations and project management
Zaporizhia State Engineering Academy,
Zaporizhia
e-mail: valentine-voronkova@yandex.ru

WORLD EXPERIENCE OF CORPORATE SOCIAL RESPONSIBILITY IN BUSINESS

In terms of business development globalized countries forms the basis of the economic activity of the country, and the idea of social responsibility has echoes in social existence. In recent years, has developed a large number of technological, systematic and theoretical projects is reflected in society, produced standards and criteria by which otsinuyetsya level of socialization corporation. Scientific understanding of the issue of corporate social responsibility is mainly to economic trends, which is considered the paradigm of business profitability to the social and environmental performance.

The aim is to understanding the international experience of corporate social responsibility and study the role of state regulation in the matter of social responsibility.

The idea of corporate social responsibility or CSR in developed countries - the US, UK, Germany, Japan, etc., led to the concept at the heart of which lay the belief that entrepreneurs should not only care about profit, but also to share with the public and state responsibility under the existing social and environmental problems.

The concept of "Corporate Social Responsibility" according to A. Carroll - a line economic, legal, ethical and discretionary expectations that society must meet certain organization in this period [4, p. 278].

Social Responsibility - is an active social position of the company, not indifference and interaction with the public, customers and staff, as well as reaction in society and participate in solving real problems.

The axis of corporate social responsibility concept is the harmonious relationship among stakeholders and compromise among individual benefits for greater opportunities of general social benefits, ensuring sustainable economic and social development. There are different points of view about the organization's relations with stakeholders, but there is a general provision that the organizations must combine their activities not only with the existing norms and standards, but also with values established in society - a factor which is more a call, but not a direct, institutionalized regulatory obligation [4, p. 45].

Corporate social responsibility confirms legitimate stakeholder involvement, citing the fact that corporate profitability demands responsible strategies reflecting social problems.

Corporate social responsibility managerial system is distinguished by stakeholder participation in order to balance the conflict of interests and to create a relationship of trust between the company and stakeholders.

Nevertheless, after almost half a century, the question of corporate social responsibility, remains controversial, however, the opinions shift to how much the companies must invest and what should the change be (or is). Although the debate about profitability, according to Erhemjamts et al., leaves controversial issues, the studies show that socially responsible activities are positively related to investment and organizational strategies. Companies

implement corporate social responsibility by increasing profitability making use of several strategies: reverse strategy, the aim of which is to confirm the commitment of people working in it; “external risk” strategy, designed to enhance reputation; and “integrated open system strategy” which groups together their efforts to promote the best practices, learning and positive social factors throughout the commercial chain. In addition, the indirect impact of social responsibility on the company’s activity results is emphasized - through the organization's reputation and customer satisfaction (Galbreath, Shum, 2012) [4, p. 39].

But we cannot underestimate the risks mentioned by Baron (2001). It is stated that although the companies should take advantage of every opportunity to apply socially responsible practices, by behaving in an altruistic way they can worsen the results of their financial performance, and stock market mechanisms can react to this.

Corporate social responsibility is also defined as an advanced corporate management model (entrepreneurs, managers, directors), it has responsibilities that include their depositaries obligations to the owners, carrying out similar depositary duties to all company stakeholders (Sacconi, 2006) [4, p. 40].

The general model of social responsibility can be considered: the American model and the European model of social responsibility. In the American model prevails philanthropic approach of distribution of profits to invest its community service initiatives. Examples of such embodiments include: investing resources in charitable initiatives of local civil society organizations; direct financial support funds, charitable associations and children's institutions; reconstruction of national historic sites, funding humanitarian projects, support for national culture, etc. [2, p. 25].

In the current economic conditions American model of corporate social responsibility most widely used because it is easy to implement the results of its implementation is publicly visible. And in terms of investor participation in corporate charitable activity characterizes it as a socio-economically sustainable. Also, this model if its implementation literacy, is the most lively response from the public, organizations and personnel [2, p. 26].

The European model of social responsibility related to the achievement of business goals and strategies are part of an additional investment attractiveness of the company. Almost all the initiatives funded by corporations as part of this model, are directly related to increasing profits. The most popular investment targets under this model are: development of personnel; contribution to the development of municipalities where the production capacity; environmental protection; the development of science, education and technology; programs to bring the company in accordance with international industry standards [2, p. 27].

Thus, unlike the American model, the basis of the European model of responsibility is not a philanthropic mind, and implementation of public initiative. Because the state directly interested in highly economically developed society, and as a society - is in most corporations hiring employees, then the strategy of social responsibility aimed at formation programs to employees.

The European model is best represented in the northern and central states of the continent, where the promotion of corporate social responsibility involved government agencies. For example, in Italy the process of social responsibility and actively monitors reporting Ministry of Labour and Social Development. And Spain is a state expert technical committee of CSR. In Lithuania CSR strategy was developed at national level. In Poland, the Ministry of Labor established a working group on CSR.

The role of the state and assessment of the state in shaping corporate social responsibility strategy. The regulation and development of social responsibility among businesses at the state level able to implement only the management institution on behalf of the state, which has the power, program, strategy development, funding and other support from the State, where the development of social and moral level of business has priority form in public administration . The issue of control of such ethical issues as social responsibility, ambiguous, for control should

be displayed but indirectly - without direct control methods to preserve the level of moral development and education of business in society and the state overall.

Representatives of the voluntary approach argue that social responsibility is an informal rule that under the neo-institutional theory, there is the memory of participants of different social groups, which acts as a guarantor of any member of the group noticed a breach. In other words, sustainability rules driven by informal practices that established, traditions and socio-cultural prerequisites [1]. Thus, according to "volunteer" is that social responsibility is a spontaneous flow of evolutionary cultural sustainability of society. But we need to confirm that in developed countries, not a social program, initiative, and especially social value is not born out of nowhere, for analyzing world history we can see that it is through indirect state involvement or control firm created a cultural movement and informal rules that have support in society, but headed and governed necessary for individuals to achieve a strategic goal. Thus, control over social responsibility lies both in public and at the state level, because without certain not get effective implementation.

Note the opinion of Friedman that civil society is not able to effectively control the activities of social businesses and forcing him to be responsible. The only force capable of this, is the "iron fist" of power. Therefore, corporate social responsibility, in his opinion, undermines the foundations of a free society and market economy - as it inevitably leads to state interference in the activities of corporations [5].

In turn, representatives of the regulatory approach believe that the institutional mechanisms for the enforcement of rules and regulations should control the state. Since the EU defines CSR as an activity of companies, which they do willingly, than law, and the European Parliament considers CSR as a certain set of voluntary initiatives, legislative requirements and mandatory conditions [3]. So, we can assume that social responsibility - a voluntary strategy action to the discretion of the company, which should be encouraged by government institutions and business support initiatives.

State control element during informatization seek to implement social responsibility programs, which thus have enough knowledge and experience necessary in implementing strategies and not bypass common problems in the exaggerated stimulation and control of corporations. Governments impose sanctions, fines, penalties and other means of responsibility for the failure, which leads to evasion of voluntary business principles and rejection of real moral and social responsibility of cooperation. To include recommendations, it is necessary to regulate, maintain CSR strategy - programs, projects, activities and encourage business benefits, so that will increase activity and initiative among morally sustainable enterprises.

Thus, considered international experience in CSR enables you to test the theoretical and practical models that have been introduced and invented by European and American scientists, having two opposing points of view to the implementation of policies of social responsibility, but which were already used in practice economically developed countries. Regarding the role of the state in regulating social responsibility has been determined that there are a few thoughts on the account of this issue, but according to the author, most effective should be an independent moral constancy enterprises to social responsibility through successful indirect regulation states, encouraged by the actions of her and create a favorable subsoil.

LITERATURE

1. North D. *Contribution to the Understanding neoynstytutsyonyalizma problems perehodnoy economy [the electronic resource]* / D. North. - Access: <http://www.winder.unu.edu>
2. *Guide to CSR. Basic information on CSR* / kol.avtor .: Lazorenko O., pegs, R., et al. - K .: Publishing house "Energy", 2008 - 96 p.
3. Houyt R. *Look to the future European Parliament* / R Houyt // *SEAL*. - 2003.4. Carroll A. *Corporate social responsibility: Evolution of definitional construct* / A. Carroll // *Business and Society*: - 1999. - Vol. 38 (3)
4. Zukauskas P. *Management Culture and corporate social responsibility* / P. Zukauskas // *Latvia*. - 2016.
5. Friedman M. *The social responsibility of Business is to Increase its profits* / M. Friedman // *The New York Times Magazine*. - 1970. - September 13. - p. 32-33.

