

Секція 2

СОЦІАЛЬНІ, ЕКОНОМІЧНІ ТА ПРАВОВІ АСПЕКТИ ЗАБЕЗПЕЧЕННЯ СТАЛОГО РОЗВИТКУ НА ЗАСАДАХ ІННОВАЦІЙНОСТІ Й ЗБАЛАНСОВАНOSTI

SOCIAL RESPONSIBILITY OF BUSINESS IN THE FORMATION OF COMPETITIVE ADVANTAGES OF THE ENTERPRISE

Bilousko T.Yu., candidate of economic sciences, Assoc. Prof.
Bilousko R.S., applicant for higher education of PhD candidate
State Biotechnological University

The successful operation of an enterprise in a competitive environment depends on the social recognition of methods of economic activity both by the enterprise's employees and in the social environment as a whole. The formation and development of the concept of social responsibility falls on the end of the 70s of the 20th century, with an outline of alternative concepts such as «stakeholder concept», «corporate social activity», «business ethics».

For Ukraine, the development of a socially oriented economy requires the implementation of international norms and practices, including the recognition of social responsibility and its contribution to the sustainable development and competitiveness of both enterprises and the national economy as a whole.

Today, in the scientific literature devoted to the problems of relations between business and society, a large number of concepts associated with social responsibility are used. At the same time, these concepts do not replace, but complement and develop each other. The concept of corporate social responsibility (CSR) (or business social responsibility (CSR)) is still a fairly new concept in Ukraine, but it is very relevant, because our country directs efforts to strengthen its competitive positions in international markets and choose its own niche in the globalized world. Studying the historical development of the concept social responsibility, it is necessary to note the fact that such international organizations as the United Nations (UN), the European Community, the International Labor Organization, as well as the world's leading business structures and public organizations, such as the World Sustainable Business Council, have influenced the process of its formation of development defines corporate social responsibility as a long-term obligation of companies to behave ethically and contribute to economic development, while improving the quality of life of employees and their families, the community and society in general [1].

The way business is done evolves, as do a wide range of factors that can help or hinder productivity and success of a company. Until the 1990s, 80% of the company's value was invested in tangible assets, such as property, machinery, and equipment. Now up to 80% is represented by intangible assets - brand, ideas, relationships, skills and resources. It is in the public interest to help companies truly understand the relationship between their business models and intangible assets, as well as the full range of capitals - natural, social, human and financial capital, because understanding these relationships should ultimately lead to better adoption of corporate solutions [2].

Considering the essence of the concept of corporate social responsibility (CSR), we can note that it is complex and multifaceted. Thus, in scientific circles, there is an understanding of the concept of CSR from the point of view of economic, legal, ethical and charitable expectations of society regarding enterprises, as a business philosophy [3], as part of strategic management, as a factor of competitiveness [4], and a factor of sustainable development of entrepreneurship.

In a competitive environment, CSR is considered a key factor in the formation competitive advantage of a company. The introduction of CSR principles helps, first of all, to improve relations with customers, local communities, business partners, and local authorities.

When implementing a social strategy, the company balances two aspects. The first aspect is efficiency and significance for society, which is manifested in the social effect through social added value as the enterprise's contribution to solving an actual social problem. The second aspect is directly, market advantages for the enterprise, which are formed due to the impact on the main activity as the added value of the business due to the economic effect of the sales strategy. In general, as far as economic benefits are concerned, the impact of CSR is greatest and most noticeable in such areas as personnel management, marketing, finance, risk management and manifests itself in the form of increased productivity, market expansion, development of innovations, reduction of operational risks, and increase in enterprise capitalization.

Social responsibility programs implemented by the enterprise become competitive advantages that attract the most intellectual and creative employees, for the management of which non-material incentives are especially effective. Charitable donations and sponsorship, voluntary involvement of company employees in social programs, corporate sponsorship, corporate fund, cash grants, social investments, social marketing, and others can be tools for implementing social programs.

Improving the reputation and image increases customer satisfaction, and contributes to the increase in sales and profits of the enterprise, which leads to an increase in competitiveness. CSR also facilitates access to capital, reduces costs of cooperation with partners, improves the potential to attract highly qualified employees, reduces business risk, and increases stability and development of the opportunity. Thus, we can note that social responsibility is the main factor in the positive reputation of the enterprise, which distinguishes it from competitors and, accordingly, acts as a source of competitive advantage.

Reference:

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THEORETICAL AND PRACTICAL ASPECTS OF ENSURING SUSTAINABLE DEVELOPMENT OF THE ENTERPRISE

Kotko Y.M., PhD in Economics, As. Prof.
State Biotechnology University

Modern enterprises are facing intensive changes due to the development of globalization and integration processes, the full-scale war, the aggravation of the political and economic situation and the social situation in the country. That is why, in the current environment, the main direction of development of modern entrepreneurship is the transformation of Ukrainian enterprises to EU standards, development of theoretical approaches and effective mechanisms to ensure management efficiency and rational use of resources, and implementation of the latest models of sustainable development with due regard for social justice.

Ensuring sustainable development of an enterprise is based on the need to form a system that meets the objectives of achieving financial results, protecting the interests of future generations and caring for the environment and society in which it operates (considering economic, environmental and social aspects of its activities). In addition, it is based on the following system-forming principles: systematicity, competence, adaptability, integrity, adaptability, flexibility, reliability, interdependence, priority of goals, sustainability, interaction, receptivity, etc.

Sustainable development of an enterprise is a system for finding the best ways to achieve economic and social well-being with minimal impact on the ecological system, both for the future and for the present.

After all, the practical implementation of sustainable development of an enterprise can bring many benefits in the short and long term, including: efficient use of resources, increase in market share, financial stability, development of the latest models of strategic development; ability to counteract negative factors and challenges; creation of favorable working conditions and provision of social guarantees; maintaining stable relations with various institutions; social security of personnel; use of innovative technologies to minimize harmful environmental impact; implementation of joint social projects and participation in government programs.