

ANALYSIS OF THE CONCEPT OF CORPORATE SOCIAL RESPONSIBILITY AND ITS RELATIONSHIP WITH MANAGEMENT CULTURE

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Analysis of the concept of corporate social responsibility and the relationship with management culture. The article outlines the essence of the concept of corporate social responsibility strategies, and its theoretical foundations. Issues of competition, competitive advantages, competitiveness in the period of informatization and globalization, generated the concept of Corporate Social Responsibility (CSR). The peculiarity of the strategic concept of CSR and the relationship with management culture is characteristic to each society, according to the peculiarities, their specifics of culture and are revealed, CSR creates a certain imprint on the social thought in general and enterprises in particular. Categories and concepts of CSR and management culture are analysed. World models in the formation of corporate social responsibility strategies at the world level are considered. Among the conceptual models of CSR, two common models have been identified, they are the American model and the European one. After analysing the concept-categorical apparatus of related concepts and direct terms related to CSR and management culture, the traditional-cultural nature of enterprises, the moral and ethical component, as well as the set of norms planned during the process of interaction of the organization with the external and internal environment were revealed. The similarity of the categories that arise among various scientists in the defined corporate culture is outlined. Analytical observations are selected in accordance with the formation of the concept of CSR. The features of corporate social responsibility in Ukraine, where CSR is under development and originated from the experience of foreign companies and international organizations, were named.

АНАЛІЗ КОНЦЕПЦІЇ КОРПОРАТИВНОЇ СОЦІАЛЬНОЇ ВІДПОВІДАЛЬНОСТІ ТА ВЗАЄМОЗВ'ЯЗКІВ З КУЛЬТУРОЮ МЕНЕДЖМЕНТУ

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корпоративна соціальна відповідальність, стратегія, культура менеджменту, концепція, корпорація, суспільство.

Висвітлено сутність концепції стратегій корпоративної соціальної відповідальності, та її теоретичні основи. Питання конкуренції, конкурентних переваг, конкурентоспроможності в період інформатизації та глобалізації зумовили появу концепції Корпоративної соціальної відповідальності (КСВ). Виявлено особливості стратегічної концепції КСВ та взаємозв'язок з культурою менеджменту, які притаманні кожному суспільству згідно з особливостями культури та їх специфікою, завдяки яким створюється певний вплив на суспільне мислення загалом та підприємства зокрема. Проаналізовані категорії та поняття КСВ та культури менеджменту. Розглянуто світові моделі при формуванні стратегій корпоративної соціальної відповідальності підприємств на світовому рівні. Серед концептуальних моделей КСВ виявлено дві загальні: Американська та Європейська. Проаналізувавши понятійно-категоріальний апарат суміжних понять та прямих термінів, які пов'язані з КСВ та культурою менеджменту, виявлено традиційно-культурний характер підприємств, морально-етичну складову, а також сукупність норм, спланованих при процесі взаємодії організації із зовнішнім та внутрішнім середовищем. Виявлено схожість категорій, які виникають серед різних науковців при визначенні корпоративної культури. Виділено аналітичні спостереження згідно з формуванням концепції КСВ. Визначено особливості корпоративної соціальної відповідальності в Україні, де КСВ перебуває в стадії становлення й зароджується з досвідом від зарубіжних компаній та міжнародних організацій.

Statement of the problem

Market relations at the international and national levels have already existed for more than half a century, along with the concept of competition. It caused the urgency of the details of these phenomena and the differentiation of the related issues and attracted the attention of scientists at this time and the society to participate in the analysis and synthesis of the category data.

Contributing to the issues of competition, competitive advantages, competitiveness in the period of informatization and globalization, a concept such as Corporate Social Responsibility (hereinafter CSR) was created. This concept was embodied in the current trends of science, business, politics, sociology, marketing and ecology.

All human activity is considered to be an integral part of the prevailing cultural environment. Each society has its own specific features of culture, that create some imprint on social thought, which in its turn has an imprint on the internal cultural level in the organization's activities. Due to this, individualization of management concepts and social requirements arise in accordance with their specific parameters and characteristics in management. Recently, corporate social responsibility and charity began to be considered as a real impact on the level of credibility of the company.

The issues of the article involve admitting the public lack of awareness of corporate social responsibility by medium-sized and small-sized companies, as well as the weak level of management interest in the image and reputation of the company. However, the use of the corporate social responsibility principles will improve the competitive position of the companies.

Analysis of recent studies and publications

Social responsibility as a component in the context of the culture of management is considered and outlined in the works of R. Andrückete, P. Zucukas, V. Voronkova, K. Apelia, G. Jonasa, V. Kanke, J. Khabermas. The formation and development of the concept of social responsibility are highlighted in works of G. Bowen, D. Windzor, E. Garrig, D. Melle, J. Simmons, R. Frimen. Among the scholars of the United States who made fundamental contribution to the process of institutionalization of corporate social responsibility there are A. Carroll and F. Kotler, whose scientific works and knowledge have created a basic part in the development of classifications and components of the concept of socially responsible business activities.

However, the issue of implementation, application of the concept of corporate social responsibility strategies in

modern conditions at Ukrainian enterprises, remains controversial. The conclusions presented in the article were made on the basis of the author's own analysis and work of scientists.

Objectives of the article

The purpose of the paper is to analyse, reveal the peculiarity in the concepts of business, cultural categories of business and their relationship with corporate social responsibility; to set the models, examples, the role of the CSR concept and related concepts. For solving the problem, the following tasks are set – to consider the concept of CSR and to describe the conceptual-categorical apparatus of the related concepts in connection with CSR; to analyse the models of CSR; to identify the role of the state in shaping the CSR strategies; to highlight the general principles of the CSR concept.

The main material of the research

Research at the level of world market relations is of particular importance in the modern period of globalization and informatization, because it is the research of competitive issues, the categories of quality of works and services, the responsibility of enterprises, the culture of management and the organization of entrepreneurial activity that bears the overall result for a business entity.

Thanks to the research of the Doctor of Economic Sciences A.V. Cherep, the problem of the competitiveness of national enterprises decline and the problem areas, in which many industrial enterprises reduce production together with simultaneous reduction of the profitability, are identified. Among the reasons, we distinguish the general ones: unfavourable market conditions, significant depreciation of fixed assets, outdated technologies, lack of sources of investment. Innovation area is allocated the basis of sustainable development of enterprises [1, c. 75].

Innovation in modern Ukraine is a progressive current with the several or more components, which create an effective complex system for the strategic development of enterprises. In the author's opinion, the development of corporate social responsibility concept promotes socially oriented businesses to improve the level of competitiveness in the market in the current conditions and also has an impact on the image, prestige, and appreciation of the company in the society. It can be attributed to the promising trend. The concept of CSR combines multidimensional directions of work; we select the common ones in the diagram (Fig. 1).

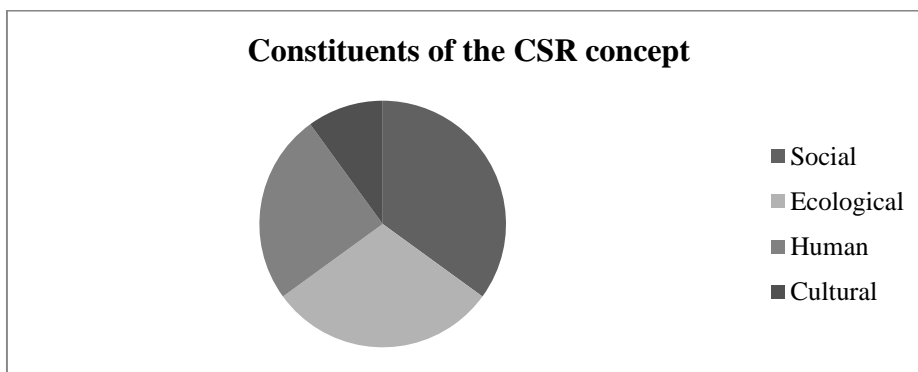


Fig. 1. Components of the CSR concept

According to the author, this proportion of CSR project exists in the modern world. We will analyze every

constituent element of the CSR concept, the description of which is presented in the table (table 1).

Table 1 – Description of constituents of the CSR concept

Component of the CSR concept	Description of components
Social	The policy of the corporation and its actions are aimed at social relations, taking into account the interests of communities.
Ecological	The direction of action aimed at preserving, protecting the environment and solving environmental issues.
Human	The most popular manifestation of the company when the policy has a local direction of CSR development, where attention is focused on the staff and close social categories of people: clients, suppliers. Attention is paid to personal needs, and local strategies are developed.
Cultural	The philosophy of CSR, defines the ethical principles of the company and the moral constancy of management, which embodies the CSR strategy, because the level of ethics is determined by the managers, and the general directions of this strategy are the establishment of standards, ethical rules, the rule of conduct, control of the social responsibility of the company.

The needs arising from the implementation of the CSR concept include the change in management apparatus, structural changes in units and the development of individual or general-specific enterprise strategies. One of the major changes is the alteration of the overall spectrum of attention from the economic indicators to focusing on social, organizational and structural issues and issues that may relate to the quality of goods or services and to the social and environmental impact. In this regard, we will consider in more detail the cultural components of the CSR concept in the context of the culture of management.

Among the general concepts, we consider the category of “culture” under the prism of business. According to the author, culture is a moral category of each individual or organization as a whole. It conveys constancy, education, principles, outlook of the management apparatus and authorized persons transfer who the view of the inner world to the external level.

Management culture is a comprehensive concept that consists of many factors, the general of which is the qualification of managerial staff, the level of moral sustainability and the social orientation of the management apparatus. We immediately note that the priority task here is to increase the skills of a complex of management and related sciences for the senior staff [2, p. 53].

Management culture is a complex characteristic of management that highlights its qualitative features and features, including philosophy, moral values, spiritual orientation, attitudes, policy of management, psychological skills (for understanding both oneself and others).

Comprehensive development of the components of the management culture is mandatory for the employees of the management lane. It helps to achieve a highly effective work of individual departments and the organization as a whole, which is possible only at a high level of employees’ culture.

Management culture allows determining the level of the process of management, the organization of management work, the use of modern management systems, as well as

the requirements of the organization, on the basis of moral standards, ethical and aesthetic principles.

The organizational culture is the character, feature, style of functioning of the enterprise, which manifests itself in the behaviour of individuals and social groups of workers, in their judgments, attitudes, ways of resolving organizational issues and internal aesthetic vision.

Corporate culture is a set of norms and behavioural patterns that are inherent in organizations in the process of influencing the external environment influence and internal constituent factors. They have efficiency and are accepted by the most people of the organization. Among the separate components of corporate culture, we distinguish – leadership, its system and functions; the policy of conflictology (their solution and avoidance); relations and communication system; centralization and decentralization in the organization; the gender policy of the organization; personal cultural status (symbols, slogans, rituals, etc.).

In the opinion of O.N. Shynkarenko, corporate culture is a system, consisting of a set of rules of conduct, symbols, rituals, traditions and values, adopted in the organization, obligatory for all its employees, adopted and performed by them. This system should operate for a long time to become familiar to workers, to promote successful co-operation and coherence of the actions of employees and managers at all levels of management of the organization in order to achieve its goals, thus confirming its ability to be transferred to new employees as an example of implementation [3, p. 219-220].

In addition, E. Shane believes that corporate culture is a set of basic assumptions invented, discovered or developed by the group in order to learn how to cope with the problems of external adaptation of the internal integration that functions for a long time to confirm its ability and is passed on to a new member organization as the only correct one [4, p. 178].

Consequently, it is possible to conclusively highlight the similarity of the categories that arise among various scholars in determining the corporate culture, namely, that is: 1) a complex system of peculiar rules; 2) officially accepted traditions and values; 3) distribution

to the whole organization; 4) have a manifestation in consciousness, thinking and contemplation of workers; 5) when the system is proved, it is transmitted as an experience.

At the current level of corporate relations in the market economy in Ukraine, it takes time to form the category of “social responsibility of business” as a component of the management culture.

The social responsibility of business is the system of operation of the enterprise, which manifests itself in a responsible attitude towards its product or service, to consumers, employees, partners. It is an adequate cultural and social policy of the company, acting in harmonious cooperation and coexistence with society and the state. It is an active, not indifferent part of the company in solving socially important issues [5, p. 58].

Corporate social responsibility has a focus on expanding the organization's view from the inner circle, to the social external level. Social responsibility has such positive effects as contribution to the welfare and community development; honesty with current legislation and international standards of conduct; integration into the activities of the organization.

Corporate social responsibility is the responsibility of senior managers who make managerial decisions for those employees on whom these decisions concern.

Social responsibility is the concept of an organization that takes into account the interests of both the society and the community. It shows direct responsibility for the activities of the organization and the consequences it carries for consumers, workers, society and the natural environment.

It should be emphasized separately that the social responsibility of the business is a voluntary concept of each enterprise, which, according to a high level of management culture, is a trustworthy enterprise with high standards and quality of work. All these aspects are mainly governed by international ISO standards.

So, it can be noted that the culture of management is a comprehensive concept, which covers both the traditional and cultural nature of the enterprise, its moral and ethical component. The corporate culture is a set of norms, planned for the process of interaction of the organization with the external and internal environment. Social responsibility acts as a manifestation of interaction with society. Corporate social responsibility in Ukraine is at an advanced stage, and it uses the experience of foreign companies and international organizations. In addition, Ukrainian enterprises do not cease to initiate their own independent steps, experience in this very important social theme.

We will consider the historical component of CSR concept and ideas using the example of progressive states such as Great Britain, Germany, the USA, Japan. The launch of social responsibility in these countries has led to the formation of a concept based on persuasion of business that they should pay attention to the actual social and environmental problems and share the responsibility of the society and the state for their existence.

One of the scientifically official notions of “Corporate Social Responsibility” was formulated by the scientist A. Carroll. In her opinion, it is the correspondence with economic, legal, ethical and discretionary expectations of the society to a certain organization in this period [6, p. 43].

The social responsibility of business is an active social position of the enterprise; it is the interaction with the society, consumers and personnel, as well as reaction to society's life and participation in solving real problems.

There are two general models of CSR, such as the American model and the European one. The American model is based on the philanthropic approach that involves dividing the profit share of a business into the investment in its socio-environmental initiatives. These initiatives include, for example, investment of resources in charity projects of local communities, direct financial support of funds, of charitable communities, financing of children's institutions, the national initiative in the form of reconstruction of historical monuments, buildings, investing in humanitarian projects, support of national culture and events, etc. [7, c. 25].

Under the modern process of globalization and economic conditions, the American model of CSR is used wider, because it is implemented easily. The results of its implementation are publicly visible and perceptible by the community. Also, from the perspective of the investor, the company's participation in the social initiative describes it as promising, developed and economically sustainable one. It is this model in the case of its competent implementation, that finds the most lively response from the population, public organizations, social associations and personnel.

The second most popular CSR model is European, which is related to the achievement of business goals and is part of the strategy to create additional investment attractiveness of the company. Most of the projects and initiatives sponsored by the company within the framework of this model have a financial interest and a direct relation to the increase of profit. Among the most popular investment objects, there are the following: development of company personnel; development of municipal formations where production facilities are located; environmental activities; development of science, education and technology; standardization, programs to bring the company in line with the world industry standards [8, p. 26-27].

Consequently, unlike the American model, the basis of the European model of responsibility is not the philanthropic view, but the realization of state initiative. Because the state is directly interested in a highly economically developed society, and since the society is represented by the majority of employees in corporations, then the social responsibility strategy is aimed at developing programs for employees.

The implementation of the European model of CSR in practice is most widely represented in the Northern and Central States of the Euro-Continent, where the promotion and regulation of corporate social responsibility are dealt with by state and local authorities. Thus, in Italy, the Ministry of Labour and Social

Development is actively monitoring the process of developing social responsibility and accountability. And in Spain there is the State Expert Technical Commission on CSR. Lithuania has developed the CSR strategy at the state level. In Poland, the Ministry of Labour created the CSR Working Group. According to the author, the European CSR model is acceptable in countries where the level of the economy is high, where the social protection of the population and person is high and any social or personal problems are supported by the state. Such countries are Norway, Luxembourg, Portugal, Sweden, Switzerland, and so on.

Thus, the current global experience in corporate social responsibility allows the management to test the theoretical and practical models that have been introduced and invented by the European and American scholars, who have two opposing points of view in implementing social responsibility strategies but have world practice in economically developed countries.

In the opinion of the author, it is generally more effective to have an independent moral constancy of enterprises towards social responsibility by means of successful indirect regulation of the state together with encouraged actions on its part and creation of a favourable foundation.

Conclusions

In this research the features of the strategic CSR concept were considered. The connection of CSR and related concepts of the management culture, were analysed. The categories, the models and roles in the formation of strategies of corporate social responsibility of enterprises at the world level.

The conceptual models of CSR were considered include two models – American and European. More remarkable for the business in the Ukrainian market is the European

model for shaping CSR strategies, where the state is interested in a highly economically developed society and it introduces its own initiatives. Corporate social responsibility strategies are aimed at creating programs for employees.

Having analysed the concept-categorical apparatus of related concepts and direct terms of CSR, it was discovered that the culture of management encompasses the traditional cultural nature of the enterprise, its moral and ethical component. Corporate culture is a set of norms, planned in the process of interaction of the organization with the external and internal environment. The similarity of the categories that arise among various scholars in the definition of corporate culture, including: 1) a comprehensive system of peculiar rules; 2) officially accepted traditions and values; 3) distribution of rules to the organization as a whole; 4) manifestation of this culture in consciousness, thinking and contemplation of workers; 5) experience to be transmitted when the system is proven.

Thus, it can be generally noted that corporate social responsibility in Ukraine is in the stage of development. It is emerging with the experience of foreign companies and international organizations. The major enterprises and apparatus of management of state and commercial institutions become a big part of the CSR.

The CSR Roles and Concepts, that were highlighted in the article, enable not only theoretically but also practically, to understand a more detailed subfield strategy of social responsibility, relationships and formations. Thanks to that, Ukrainian enterprises have the opportunity to take their own independent steps and gain experience in this very important social sphere of CSR.

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