

BASIC APPROACHES TO SOCIAL RESPONSIBILITY LEVEL'S ASSESSMENT

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The important role of estimation of the level of social responsibility in the conditions of the imbalance of the economy is determined. It is proved that the assessment of economic entities includes a number of important stages, which are based on certain factors, indicators and criteria.

The article studies the main criteria of social responsibility assessing. It was investigated that programs and priorities in the field of social responsibility are outlined not only by enterprises but also by individual countries. It is proposed to estimate the level of social responsibility both at the state level and at the enterprise level.

Keywords: *social responsibility, assessment of the social responsibility level, criteria, indicators.*

Introduction. At the present stage of economic management, social responsibility is one of the priority directions of effective development of business entities. In the conditions of the economic imbalance an important role is played by the assessment of the social responsibility level. This assessment includes a number of important stages, which are based on certain factors, indicators and criteria.

Analysis of recent research and publications. Methodological issues related to the assessment of socially responsible business are being studied by many scientists. Among them there are O. Y. Berezina, S. F. Goncharov, S. V. Ivchenko, N. A. Krichevsky, M. A. Saprikina, G. L. Tulchinsky, N. M. Ushakova, T. B. Hlevitska and others. Thus, according to G. L. Tulchinsky, the effectiveness of corporate social responsibility (CSR) needs to be considered from internal and external aspects, which includes the effectiveness of CSR to consumers, employees, fair business practices, corporate citizenship, public relations, etc. Each of these elements includes a group of scores that are reflected on a scale. The methodological basis

is the amount of indicators that describes any business and therefore can be used regardless of scope, size, form of ownership [6].

Identification of unexplored parts of the general issue.

There is no single approach to the definition of the social responsibility level in the scientific literature, therefore, this issue needs a comprehensive research. Programs and priorities on the activities of social responsibility are outlined not only by enterprises, but also by definite countries. Therefore, the assessment of the level of social responsibility should be carried out both at the state level and at the level of enterprises.

Formulation of the problem. The article is aimed at studying the main criteria for assessing social responsibility. The emphasis is placed on the need to introduce a unified approach to defining criteria of social responsibility and the indicators on which social responsibility is based.

Presenting main material. Social responsibility is a voluntary activity which is aimed at raising the level and welfare of society. There is no single approach (indicators, criteria) according to which the level of social responsibility is determined. Each country has its own approaches and criteria for assessing the level of social responsibility. Therefore, enterprises are forced to independent choice of the methods, indicators and criteria of assessing the level of social responsibility.

At the initial stage, to assess the level of social responsibility, it is necessary to take certain actions - to determine the goals, to select the criteria to be used in the research process, and then to use the indicators to assess the level of social responsibility.

With the help of certain tools, you can evaluate social responsibility (sociological surveys, comparisons of domestic and foreign experience of effective assessment methods, rating systems of social responsibility) both at the state (regional) and at enterprise level.

The United Nations Development Organization, within the framework of the "Accelerating CSR" project, has developed indicators of social responsibility measurement based on the experience of Lithuania. The assessment of the development of social responsibility is recommended to conduct a ball scale (Table).

Table

Assessment of social responsibility at the state level

Indicators	Ball
1. Policy and Management	
1.1 The existence of a published national CSR strategy or sustainable development	7,5
1.2 The existence of a separate government department or other government body responsible for CSR	7,5
1.3 The existence of a special legislation that promotes the widespread acceptance of good CSR practices	5
1.4 Percentage of "green purchases" in the general procurement system	5
2. Stakeholder engagement and communication	
2.1 Percentage of active members of the national network of the Global Contract	5
2.2 Percentage of business associations that implement sectoral CSR activity or CSR tools	5
2.3 Percentage of local companies that regularly report on CSR (top 110 companies in terms of turnover)	5
3. Society	
3.1 The percentage of HEIs that offer special programs or courses on CSR or sustainable development, or ethics for doing business	7,5
3.2 Number of references to CSR concepts in public media during the year	7,5
4. Environment	
4.1 Percentage of companies listed on the stock exchange and used by the eco-management system	5
4.2 Greenhouse gas emissions and use of energy sources	5
4.3 Government spending on environmental protection, per unit of GDP	5
5. Labor practices	
5.1 Percentage of companies listed on the stock exchange and using a system of management of labor practices	3
5.2 Percentage of employees involved in negotiating a collective agreement	3
5.3 Gender equality in business and government	5
5.4 Accidents / 100,000 workers	4
6. Transparency and business environment	
6.1 The level of corruption (Transparency International)	10
6.2 Existence of activity on socially responsible investments	5
Total:	100

Resource: formulated by the authors [3]

Analyzing the table, we can note that according to this method, the assessment of social responsibility level of the state is estimated on the 100th scale. The highest score in the assessment scale takes the policy management in the field of social responsibility, civil society and the level of corruption.

Agreeing with the head of the Expert Organization Center of the CSR Development M. A. Saprykina, this method does not pay attention to human rights, partnership, unfair competition. Therefore, in our view, in assessing the level of social responsibility at the state, in addition to these indicators, it is necessary to include indicators of the macroeconomic environment of the state (gross national savings,% of GDP, inflation rate, government debt level, etc.).

An important criterion for assessing the level of social responsibility at the state is the Social Development Index (SDR), developed by the American non-governmental organization Social Progress Imperative, with the support of Deloitte. The IRA determines country ratings based on indicators that have a direct impact on the quality of human life.

According to the data of the Social Development Index (IDR), in 2016, Ukraine ranks 63rd among 133 countries. Despite social, political and economic difficulties, Ukraine has exceeded all CIS countries at the level of the ISS. Thus, Belarus occupied 66th place, Armenia - 67, and Russia - 75. In 2016, the level of GDP of Ukraine per capita amounted to \$8267. Therefore, Ukraine received only 66.43 points out of 100 possible, having entered the group of countries with a level of social development "below the average". It is of no worth that Ukraine has a relatively high level of access to higher education and basic knowledge, which has occupied 31 and 28 places, respectively. Ukraine has shown the lowest rates in areas such as corruption (109th place), crime rate (109), affordability of housing (116), state of the environment (118), health and longevity (127), freedom of life choice (132) [2].

Regarding the level of the enterprise, there are no single criteria for assessing the level of social responsibility in Ukraine, although there are different classifications and methods for determining the level of social responsibility at enterprises. In

practice, this is very difficult to take into account the diverse nature of the economy and business management.

N. A. Krichevsky and S.F. Goncharov assess the social responsibility of enterprises through the following key indicators: social responsibility to employees, social responsibility to the environment and indicators of environmental social responsibility [4].

According to S. V. Ivchenko a methodology for assessing the level of social responsibility of the enterprise is based on the integral index and the construction of a "petal" chart, taking into account the ball scoring of partial criteria. The integral indicator is calculated by the formula:

$$I = \frac{K_{b1}K_{b2}K_{b3} + \dots + k_{bi}k_{b1}}{i}, \quad (1)$$

where K_{bi} – ball evaluation of i - indicator;
 i – number of partial indicators.

The value of the integral indicator of the corporate social responsibility level can vary from 0 to 1 (the value of the reference enterprise). It is worth noting that the score is subjective, so the value of the integral indicator can be estimated in different ways. In our opinion, the proposed method can be used in the assessment (rating) of socially responsible enterprises in our state.

A methodology for evaluating the effectiveness of corporate social activities of enterprises on the integrative platform is worthy of attention. The proposed method is based on the understanding of the causal relationships between the implementation of social and / or environmental investments and the economic results of CSR - activities of the enterprise. It involves the calculation of three interim integral indicators: the economic efficiency of CSR activities, environmental efficiency and social efficiency. On the basis of these indicators, a generalized integrated indicator of the effectiveness of CSR activity can be calculated [8]:

$$I_{KCBj} = \frac{I_{eej} \times K_{eej} + I_{cej} \times K_{cej} + I_{ekoej} \times K_{ekoej}}{K_{eej} + K_{cej} + K_{ekoej}}, \quad (2)$$

where I_{KCBj} – Integral indicator of separate enterprise's activity and its efficiency in the sphere of CSR,

I_{eej} , I_{cej} , I_{ekoej} – An integral indicator characterizing the economic, social and environmental effectiveness of CSR activities in separate enterprise,

K_{eej} , K_{cej} , K_{ekoej} – The importance of ensuring the economic, social and environmental effectiveness of CSR activities in a separate enterprise.

This approach deserves attention, but it is not clear how the denominator of this formula will be calculated, namely the importance of economic, social and environmental efficiency of CSR activities.

In order to assess the level of social responsibility at an enterprise level, it is worthwhile to use a model for evaluating the effectiveness of social investment and corporate social responsibility developed by the Institute of Urban Economics [10]:

$$KI_i = \frac{Ti + CEi + Sei}{TOCi}, \quad (3)$$

where KI_i - comprehensive index of i-Company ($i = 1, 2, \dots, n$);

Ti – Paid taxes;

CEi – Investment in fixed assets;

SEi – Social expenditures;

$TOCi$ – Current expenses of production purpose.

In addition to the comprehensive index of the company in this model, it is proposed to calculate the indicator of long-term development (4) and the indicator of social expenditures (5).

$$IP_i = \frac{CEi + Sei}{NEi}, \quad (4)$$

where IP_i – Indicator of long-term development;

NEi – Net profit of the enterprise.

$$ICB_i = \frac{Sei}{NEi}, \quad (5)$$

where ICB_i – Indicator of social expenditures of the enterprise.

Calculating the above-mentioned indicators, the enterprise will be able to dynamically analyze the level of social responsibility in comparing the financial result with the expenses for social purposes.

According to Berezina O.Y, a quantitative estimate of CSR should be used for comparing non-parity partial indicators and determining the corporate social responsibility rating. The author focuses on the fact that the rating of the level of CSR needs to be conducted consistently, using about 24 indicators of social and labor character. Each of the indicators is one of six groups in different directions of activity:

1) general indicators - the index of social responsibility, the index of perspective development, the ratio of social investment and profit, the share of social investment in the total sales, etc.;

2) employment rates - the proportion of workers released during the period under study on the initiative of the employer in the total number of employees, the coefficient of personnel turnover, etc .;

3) labor remuneration - the ratio of average salary of employees of the enterprise with the average in the industry, the share of labor costs in the cost of production, bonuses for incentives and other payments per employee, etc .;

4) indicators of occupational safety - the coefficient of occupational injury, the cost of improving the working conditions per one employee of the enterprise, etc .;

5) indicators of workers' training and health care - the cost of an enterprise for the protection of health of workers per employee, the share of workers who undergo an annual medical examination at the expense of the enterprise in the total number of employees, etc .;

6) ranking the given directions and determining the integrated index [1].

Methodology proposed by scientists Ushakova N.M., Suprun N.A., Danylyuk A.V. includes the development of an algorithm for the analysis of the impact of measures of social responsibility on the efficiency of business financial activities. The application of the methodology is aimed at achieving the following objectives: development of tools for evaluating the effectiveness of both

general social responsibility programs and certain types of social investment; creation of mechanisms of business motivation to disseminate socially responsible initiatives; developing recommendations for the transition from purely costly forms of social responsibility to optimizing the policy of social investment and social responsibility, which should become the basis for the formation of competitive advantages of the enterprise, etc [5].

Conclusions. In Ukraine today, unfortunately, it is not clear at the legislative level what exact criteria and indicators are necessary for assessing the level of social responsibility. Enterprises independently choose and join various methodologies for defining social responsibility. Therefore, in our opinion, it is necessary to approve normative documents (methodological recommendations, regulations, instructions) regarding a unified approach for assessing the level of social responsibility at the national level. This will be a significant boost to the transparency of enterprises, since at the appropriate level it will be possible to assess the level of social responsibility of both enterprises and the state as a whole.

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*А. В. Бурковська, Т. І. Лункіна. **Основні підходи щодо оцінки рівня соціальної відповідальності.***

Визначено важливу роль оцінки рівня соціальної відповідальності в умовах незбалансованості економіки. Доведено, що оцінка суб'єктів господарювання включає в себе ряд важливих етапів, які ґрунтуються на певних чинниках, показниках, критеріях. Стаття спрямована на дослідження основних критеріїв оцінки соціальної відповідальності. З'ясовано, що не існує єдиного підходу (показників, критеріїв), відповідно до яких визначається рівень соціальної відповідальності. У кожній країні існують свої підходи та критерії оцінки рівня соціальної відповідальності. Досліджено, що програми і пріоритети щодо діяльності соціальної відповідальності окреслені не тільки підприємствами, а ще й окремими країнами. Запропоновано оцінку рівня соціальної відповідальності проводити як на державному рівні, так і на рівні підприємств.

Ключові слова: соціальна відповідальність, оцінка рівня соціальної відповідальності, критерії, показники.

*А. В. Бурковская, Т. И. Лункина. **Основные подходы к оценке уровня социальной ответственности.***

Установлена важная роль оценки уровня социальной ответственности в условиях несбалансированности экономики. Доказано, что оценка субъектов хозяйствования включает в себя ряд важных этапов, основанных на определенных факторах, показателях, критериях.

Статья направлена на исследование основных критериев оценки социальной ответственности. Выяснено, что не существует единого подхода (показателей, критериев), в соответствии с которыми определяется уровень социальной ответственности. В каждой стране существуют свои подходы и критерии оценки уровня социальной ответственности. Программы и приоритеты относительно деятельности социальной ответственности характеризуются не только предприятиями, но и отдельными странами. Предложено оценку уровня социальной ответственности проводить как на государственном уровне, так и на уровне предприятий.

Ключевые слова: социальная ответственность, оценка уровня социальной ответственности, критерии, показатели.