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CORPORATE SOCIAL RESPONSIBILITY: AN URGENT NEED FOR MANDATORY ACTIVATION

These papers discuss the historical development of the concept of corporate social responsibility, and the factors that transformed this concept from a voluntary theory adopted by the initial companies and wealthy businessmen to a theory recommended by international organizations and global trade agreements. Based on the scientists' investigations and their ideas in the field of business and economics, it has proven that corporate social responsibility has become a reliable strategy to face economic, social, administrative and environmental challenges. The papers aim to demonstrate that corporate social responsibility has become a complete strategic theory that can be efficiently implemented by various companies and in various economic contexts. Therefore, it is necessary to impose it as a mandatory law and not just to adopt it voluntarily.

First of all, the most updated definition of the concept CSR has been evolved by the United Nations Industrial Development Organization (UNIDO): CSR is a management concept as companies incorporate social and environmental concerns into their business operations and their interactions with stakeholders, CSR is generally seen as the way in which a company strikes a balance between economic, environmental and social imperatives while simultaneously addressing the expectations of stakeholders and stakeholders [1]. In order to evaluate the opportunity and availability of imposing CSR into mandatory law, secondary data analysis has been used. Significant scholars in the field of business ethics have insisted that CSR could be implemented as a complementary strategy where a company must not only depend on it to achieve social and environmental progress but to maintain sustainability and strengthen competitiveness.

Archie Carroll has created the Pyramid CSR model, where he represented four main principles (economic, legal, ethical and philanthropic) for adopting a CSR approach [2, p. 497-505]. The economic responsibility is to maintain economic sustainability by achieving profits through integrating into new investments, motivate innovation in the process line of production and managerial hierarchy, adopting modern marketing strategies, improving business operations, and improving the Research and Development department through technological initiatives. Such a principle is crucial to strengthen competitiveness in international markets and increase revenues and profits.

The second principle is the legal principle, where a company must adhere to law and regulations, and avoid all kind of frauds or money laundry, fraud, and tax evasions. Such avoidance helps the company to achieve a high reputation in its industry and gain the confidence of governmental bodies and various investors and stakeholders.

The third principle is the ethical principle, where a company has to operate ethically with its employees and managers inside the company, and ethically with stakeholders outside the company, such principle could be applied through respecting the human rights, labor rights, code of conduct and inside the company, and through a commitment to the needs and voices of the surrounding community and social organizations. It is important to note that civil societies and associations play an important role in determining the ethical controls of a company until these controls become official laws.

The fourth principle is the philanthropic principle, where a company has to dedicate some of its annual revenues for charitable approaches, or engaging in various giving forms and donations campaigns. Even if the company does not have the ability to integrate into the models of cash giving, it can help morally through participation in social and environmental activities and by contributing to spread awareness towards environmental and social challenges, such as reducing poverty, fighting corruption or sorting and recycling waste or encourage healthy practices. It has been realized that companies that operate in a safe and satisfied community and clean environment context have a wider opportunity to develop and expand.

John Elkington has created the Triple Bottom Line (TBL) Model of CSR, where he concluded that every company must integrate into economic development, must respond to social needs and must protect environmental aspects [3, p. 18-22]. Such integration is efficient to maintain the economic, social and environmental sustainability. Thousands of companies around the world have adopted the TBL CSR model due to its flexibility and effect on the financial and nonfinancial performance of the company.

Edward Freeman who created the Stakeholder CSR model mentioned that it is the duty of any company to meet the demands of all stakeholders in a balanced manner [4, p. 403-445]. In other words, the company's decision-makers should only respond to the demands and desires of the shareholders, but they must respond to the demands of all stakeholders, such as civil society bodies or environmental and governmental organizations. The implementation of this model guarantees the satisfaction of all parties, enhances the company's position in the market, strengthen its competitive power, and reduces risks or losses that may encounter in the future due to its awareness of the market priorities and stakeholders. Its valuable to mention that there are many other scholars who have developed and evolved the CSR concept as Donna Wood which has created the Corporate Social performance model, and Porter and Karmar who have developed the Creating Shared Value model [5, p. 22-30].

Practically, there are many international organization and official authorities which recommend to implement CSR models, moreover it recommends some specific framework for implementing CSR in various economic context, as emerging economic context, developing economic context and developed economic context. For that it has been shown through table 1 some international committees and organizations that recommend guidelines and instrumental tools to implement CSR models.

Table 1. significant international organizations which develop instrumental tool for companies to implement CSR

Organization or committee	Year issued	Instrumental tool recommended	Number of targeted companies and countries
Global Reporting Initiative international organization	1997	The GRI Sustainability Reporting Standards	250 largest international companies around the world
United Nation Global Compact UNGC	2000	Agenda 2030 for Sustainable Development	13000 companies which operate in 193-member state in the United Nations
Organization for Economic Co-operation and Development (OECD)	2001	The OECD Guidelines For CSR	9000 multi-international companies around the world
International Organization for Standardization (ISO)	2010	ISO guide number 26000 ISO guide number 14001	1,200,000 companies and enterprise around the world
European Parliament	2014	The act 2014/95/EU	177,000 companies which operate in 28 EU must disclose all its financial and non-financial information

These instrumental tools developed by international organizations and commercial summits represent a complementary and well-explained model to implement CSR for Small and Medium Enterprises (SME) and for international companies. In the same manner, some organizations such as ISO granting an international certificate to the company who adhere to these tools, the ISO certificate entitles the company to enter and compete in international tenders or auctions. On the level of governments, some governments have resorted to granting companies that apply these tools tax exemptions and administrative facilities for import and export mechanisms. While the European Union imposed fines on companies that do not observe the principles of CSR.

It has been concluded from the information and data analysis the following:

- CSR represents a clear complementary framework to activate the company's productive performance, as its principles and dimensions directly enhance the company's competitiveness, and improve its reputation in the domestic and international markets.
- CSR represents an applied business mechanism for companies of various sizes and types and are appropriate and effective for companies operating in developed, developing and emerging economic context.
- CSR represents an effective tool to enable the relationship between commercial companies and civil society, as well as its necessity to cooperate in combating social and environmental challenges such as poverty, pollution, racial discrimination, and the spread of diseases and epidemics.
- The models presented by scientists represent clear academic evidence of the importance of corporate social responsibility legislation and the necessity to implement it.
- The recommendations submitted by governmental organizations and international economic summits represent a clear application framework for CSR, and confirm their effective role in economic, social and environmental sustainability.

States and international organizations have become unable to assume responsibility and face global challenges alone. From our current reality, the World Health Organization and the powerful and wealthy governments in the world are unable to control alone the COVID- 19 epidemic, which constitutes a very great strategic threat to the economy and the lives of many peoples around the world. Therefore, it is very necessary to impose CSR as a law that obliges companies to join together and provide the maximum financial or moral cooperation possible to combat this threat.

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МОТИВАЦІЯ, ЯК ЕЛЕМЕНТ ТА ФУНКЦІЯ МЕНЕДЖМЕНТУ ПЕРСОНАЛУ

За умов сьогодення, складної соціально – економічної ситуації, що склалася в країні, менеджмент персоналу набуває все більш важливого значення в діяльності організацій. З огляду на те, що саме менеджмент персоналу сприяє створенню необхідних передумов для