

Shynkaruk Lidiia

*Doctor of Economic Sciences, Professor,
Associate Member of the National Academy of Sciences of Ukraine,
Professor of the Department of Production and Investment Management
National University of Life and Environmental Sciences of Ukraine*

Шинкарук Лідія Василівна

*доктор економічних наук, професор, член-кореспондент НАН України,
професор кафедри виробничого та інвестиційного менеджменту
Національний університет біоресурсів і природокористування України*

Шинкарук Лидия Васильевна

*доктор экономических наук, профессор,
член-корреспондент НАН Украины,
профессор кафедры производственного и инвестиционного менеджмента
Национальный университет биоресурсов и природопользования Украины*

Dielini Maryna

*Doctor of Economic Sciences, Professor,
Department of Production and Investment Management
National University of Life and Environmental Sciences of Ukraine*

Дєліні Марина Миколаївна

*доктор економічних наук, професор,
в.о. зав. кафедри виробничого та інвестиційного менеджменту
Національний університет біоресурсів і природокористування України*

Делини Марина Николаевна

*доктор экономических наук, профессор,
и.о. зав. кафедры производственного и инвестиционного менеджмента
Национальный университет биоресурсов и природопользования Украины*

Kendus Daria

*Assistant of the Department of Production and Investment Management
National University of Life and Environmental Sciences of Ukraine*

Кєндус Дар'я Ігорівна

*асистент кафедри виробничого та інвестиційного менеджменту
Національний університет біоресурсів і природокористування України*

Кєндус Дарья Игоревна

*ассистент кафедры производственного и инвестиционного менеджмента
Национальный университет биоресурсов и природопользования Украины*

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**DIRECTIONS OF SOCIALLY RESPONSIBLE MANAGEMENT
OF AGRICULTURAL ENTERPRISES UNDER THE CONDITIONS
OF SUSTAINABLE DEVELOPMENT**

**НАПРЯМКИ СОЦІАЛЬНО-ВІДПОВІДАЛЬНОГО УПРАВЛІННЯ
АГРАРНИХ ПІДПРИЄМСТВ В УМОВАХ СТАЛОГО РОЗВИТКУ**

**НАПРАВЛЕНИЯ СОЦИАЛЬНО-ОТВЕТСТВЕННОГО УПРАВЛЕНИЯ
АГРАРНЫХ ПРЕДПРИЯТИЙ В УСЛОВИЯХ УСТОЙЧИВОГО РАЗВИТИЯ**

Summary. The article is devoted to the topical issue of socially responsible management of agricultural sector enterprises under the conditions of sustainable development. Achieving the Sustainable Development Goals by enterprises is impossible without elements of social responsibility, which justifies the topic of research. The purpose of the article is to determine the directions and principles of socially responsible management of agricultural enterprises in terms of sustainable development.

The achievement of this goal was facilitated by the definition of the main tools, forms, motives of socially responsible management, on which the management system of agricultural enterprises can be based. Particular attention is paid to regulations governing socially responsible management of enterprises in conditions of sustainable development. It is determined that the direct laws regulating this area are currently absent and all have an indirect impact, although the state has already paid attention and adopted the Concept of state policy in promoting social responsibility of business in Ukraine until 2030.

It is important for the implementation of socially responsible management to realize awareness of its motives and possible positive consequences that it has, namely: improving the image of the enterprise, increasing consumer consumption, improving quality and productivity, etc. At present, agricultural enterprises are actively involved in the process of implementing socially responsible principles in the management system, as they are the key to strengthening their position in the Ukrainian market and the international arena. Socially responsible management of agricultural enterprises involves management based on the Sustainable Development Goals, the introduction of the principles of CSR (responsibility to all groups of stakeholders) in the management system. Agricultural enterprises are no exception, their socially responsible management can be manifested in the responsible process of growing products, using high quality raw materials, when planning the product range, consumer orientation, environmental protection and others.

Key words: sustainable development, social responsibility of business, socially responsible management, GRI standard, ISO 26000.

Анотація. Стаття присвячена актуальному питанню соціально-відповідального управління підприємств аграрного сектору в умовах сталого розвитку. Досягнення Цілей сталого розвитку з боку підприємств є неможливим без елементів соціальної відповідальності, що й обґрунтовує тему наукового дослідження. Метою статті є визначення напрямів та засад соціально-відповідального управління аграрних підприємств в умовах сталого розвитку.

Досягненню цієї мети сприяло визначення основних інструментів, форм, мотивів соціально-відповідального управління, на яких може ґрунтуватись система менеджменту аграрних підприємств. Особливу увагу приділено нормативним актам, які регулюють соціально-відповідальне управління підприємств в умовах сталого розвитку. Визначено, що прямі закони, які регулюють цю сферу, наразі відсутні та всі мають опосередкований вплив, хоча з боку держави вже приділено увагу та прийнята Концепція реалізації державної політики у сфері сприяння розвитку соціальної відповідальності бізнесу в Україні на період до 2030 року.

Важливим для впровадження соціально-відповідального управління є усвідомлення її мотивів та можливих позитивних наслідків, що вона має, а саме: покращення іміджу підприємства, покращення відношення споживачів до продукції, підвищення якості та продуктивності праці та ін. Аграрні підприємства на цей час активно залучені до процесу втілення соціально-відповідальних принципів в систему менеджменту, адже вони є запорукою зміцнення своїх позицій на ринку України та міжнародній арені. Соціально-відповідальне управління аграрних підприємств передбачає управління на засадах врахування Цілей сталого розвитку, вкорінення принципів СВБ (відповідальності перед всіма групами стейкхолдерів) в систему менеджменту. Аграрні підприємства не є виключеннями, їхнє соціально-відповідальне управління може проявлятися у відповідальному процесі вирощування продукції, використанні високоякісної сировини, при плануванні товарної номенклатури орієнтація на споживача, охорона навколишнього середовища тощо.

Ключові слова: сталий розвиток, соціальна відповідальність бізнесу, соціально-відповідальне управління, стандарт GRI, ISO 26000.

Аннотация. Статья посвящена актуальному вопросу социально ответственного управления предприятий аграрного сектора в условиях устойчивого развития. Достижение Целей устойчивого развития со стороны предприятий невозможно без элементов социальной ответственности, что и обосновывает тему научного исследования. Целью статьи является определение направлений социальной-ответственного управления аграрных предприятий в условиях устойчивого развития.

Достижению этой цели способствовало определение основных инструментов, форм, мотивов социально ответственного управления, на которых может основываться система менеджмента аграрных предприятий. Особое внимание уделено нормативным актам, регулирующим социально-ответственное управление предприятий в условиях устойчивого развития. Определено, что прямые законы, регулирующие эту сферу, отсутствуют и все имеют опосредованное влияние, хотя со стороны государства уже уделено внимание и принята Концепция реализации государственной политики в сфере содействия развитию социальной ответственности бизнеса в Украине на период до 2030 года.

Важным для внедрения социально-ответственного управления является осознание ее мотивов и возможных положительных последствий, которые она имеет, а именно: улучшение имиджа предприятия, улучшение отношения потребителей к продукции, повышение качества и производительности труда. Аграрные предприятия в настоящее время активно вовлечены в процесс внедрения социально-ответственных принципов в систему менеджмента, ведь они являются ключевыми для укрепления своих позиций на рынке Украины и международной арене. Социально-ответственное управление аграрных предприятий предусматривает управление на основе учета Целей устойчивого развития, внедрения принципов СОБ (ответственности перед всеми группами стейкхолдеров) в систему менеджмента. Аграрные предприятия не являются исключениями, их социально ответственное управление может проявляться в процессе выращивания продукции, использовании высококачественного сырья, при планировании товарной номенклатуры ориентация на потребителя, охрана окружающей среды и т.д.

Ключевые слова: устойчивое развитие, социальная ответственность бизнеса, социально-ответственное управление, стандарт GRI, ISO 26000.

Formulation of the problem. The development of modern enterprise faces many problems, including economic, environmental nature, due to technological development of production and technologies that have a double effect, both increasing the efficiency and profitability of production and, conversely, environmental pollution. Similarly, there is currently a problem of social orientation of any enterprise in any sector of the economy. All these three components can be combined in the sustainable development of the enterprise. Agricultural enterprises are also involved in the processes of sustainable development and active implementation of social responsibility. Thus, the problem of socially responsible management of these enterprises is relevant.

Analysis of research and publications. Various domestic scientists have made social responsibility the object of their scientific research, namely Bukharina L. M., Grishnova O. A., Golovinov O. M., Gordienko L. A., Shapoval V. M., Shevchenko T. P. and others. These scientists studied the basic principles of social responsibility, its forms, tools, motives. Concerning the state, we can distinguish regulations that relate to social responsibility. But there are still unresolved issues regarding the adaptation of this to the management system of agricultural enterprises.

The purpose of the article is to determine the directions and principles of socially responsible management of agricultural enterprises in terms of sustainable development.

Presentation of the main research materials. At the end of the twentieth century preservation of human habitat has become one of the most important problems of mankind. The sharp rise in environmental problems is now common in most countries around the world. It was determined by the current level of scientific and technological progress and the rapid increase in population on the

globe, especially in the second half of the twentieth century. For these reasons, many countries around the world were characterized by the rapid development of industrial and agricultural production, construction, transport, and services. This, in turn, was accompanied, firstly, by the emergence of large cities, urban agglomerations and technopolises with qualities not inherent in the natural environment, and secondly, required the involvement of additional resources in production. This has resulted in the reduction of some vital resources — forest, land and water, as well as excessive pollution in many parts of the world. By the end of the twentieth century all components of the biosphere have been affected to some degree by man. All this has an impact on the activities at the level of enterprises, in particular agricultural ones, which are directly related to the environmental component of sustainable development.

Sustainable development is a model of economic growth in which the use of resources is aimed at meeting human needs while preserving the environment, so that these development needs can be met not only today but also for future generations [1]. Thus, the management of the enterprise in the conditions of sustainable development involves taking into account all the components of sustainable development in the development of the management system of these enterprises.

The sustainable development strategy includes three components:

- ecological (preservation and improvement of the natural environment) — at the enterprise level, this may include a focus on preserving the environment, its improvement and prevention of threats to it in the production of goods or services;
- economic (further harmonious development of production, productive forces of society) — at the enterprise level, this may mean management

on the basis of profit orientation, efficient use of labor and natural resources;

- social (steady increase in the welfare of peoples, equalization of their living standards — internal and external, steady improvement of social conditions and standards) [2]. For enterprises, management under the condition of sustainable development means decent wages, reducing the gender gap in employment, wages, improving working conditions etc.

In this aspect, it is important to observe social responsibility in the management of agricultural enterprises. We can define this as socially responsible management of agricultural enterprises, which we describe as the management of enterprises in the agricultural sector on the basis of responsibility to their stakeholders.

We can define forms of corporate social responsibility (CSR) according to Shapoval V. [3]:

- social responsibility between business and society (American approach);
- social responsibility in business (human resource management within the company);
- social responsibility between government and business (European Commission approach);
- social responsibility between employment policy and business (Danish approach).

These approaches can also be transferred to agricultural enterprises and apply to this sector of the economy.

Among the groups of stakeholders at the level of a particular enterprise in the agricultural sector, it can be distinguished:

- responsibility to consumers;
- responsibility to the company's employees;
- responsibility towards business partners;
- responsibility to the community;
- responsibility to the state;
- responsibility of business entities in relation to the environment (i.e. conservation of natural resources, thrift, etc.).

Support from companies can take a variety of forms, including cash contributions, grants, advertising, publicity, promotional sponsorship, technical expertise, non-monetary contributions (goods and services), volunteer work, and access to distribution channels.

The tools for implementing social programs are:

1. Charitable donations and sponsorship.
2. Voluntary involvement of company employees in social programs.
3. Corporate sponsorship.
4. Corporate fund.

5. Cash grants.

6. Social investment.

7. Social marketing [5].

Grishnova O. defines the following forms of social responsibility:

- responsible production — quality products, not overpricing, providing truthful information, acting in accordance with environmental law, the introduction of new production technologies to improve the environmental situation. These forms also apply to agricultural enterprises and meet the Sustainable Development Goals;
- responsible employer — acts in accordance with the norms of labor law (often exceeds them, providing employees with additional social benefits), cares about working conditions and social welfare of its employees;
- responsible participant in social relations — supporting the welfare of society;
- responsible participant in economic and political relations with the state — pays taxes honestly, operates in accordance with applicable law, avoids corruption, ensures transparency of corporate finances and requires transparency in public finances, supports the rule of law, independent justice and political competition;
- responsible business partner — forms its relationship with partners on the principles of compliance with contracts, agreements and professional standards, financial responsibility [6, 7]. These forms also apply to agricultural enterprises that operate in a market economy and carry out their activities in relation to their employees, consumers and partners.

It is also important to present social programs that can be implemented in the implementation of CSR:

1. Own programs of companies;
2. Partnership programs with local and regional government bodies;
3. Partnership programs with non-profit organizations;
4. Programs of cooperation with public organizations and professional associations;
5. Programs of information cooperation with the media [5].

The motives for socially responsible management in terms of sustainable development are:

6. Development of own staff, which allows not only to avoid staff turnover, but also to attract the best professionals in the market and increase the efficiency of agricultural enterprises.

7. Growth of labor productivity in the agricultural company.

8. Improving the company's image, growing reputation among partners and competitors.

9. Advertising of goods or services in the market of agricultural products.

10. Coverage of the company's activities in the media, on its own websites, in non-financial reports, etc.

11. Stability and sustainability of the company in the long run.

12. The possibility of attracting investment capital for socially responsible companies is higher than for other companies.

13. Preservation of social stability in society.

14. Tax benefits for socially responsible agricultural enterprises [5].

Given the abovementioned, we can characterize that socially responsible management of agricultural enterprises has certain groups of stakeholders, forms and tools of implementation and involves obtaining certain positive consequences in its application.

It should be noted that the process and mechanism of socially responsible management of agricultural enterprises is regulated by legal documents, which are international codes, treaties, charters, standards and Ukrainian legislation that directly or indirectly affect socially responsible management.

First, let's consider international acts, including codes, charters, treaties, and standards, all of which are norms in the field of social responsibility. One of the most important is the international standards ISO or SA, which set standards for the implementation of corporate social responsibility.

The Organization for Economic Co-operation and Development's guidelines are guidelines that provide voluntary principles and standards for responsible business conduction in areas such as employment and industrial relations, human rights, the environment, information security, anti-bribery, consumer interests, science and technology, competition and taxation [8].

We can also define the following documents:

15. OECD Guidelines for Multinational Companies.

16. Integrated Product Policy (IPP).

17. International standard on social responsibility ISO 26000.

18. Tripartite Declaration of Principles of the International Labor Organization (ILO).

19. UN Guiding Principles on Business and Human Rights.

20. UN Global Compact.

21. Green Paper on Social Responsibility.

22. Social Charter

23. International Standard on Social Responsibility SA 8000.

24. International standards of corporate social responsibility: GRI, AA1000, SA8000, OHSAS 18000, ISO 26000 [9].

Thus, we have considered the main international regulations in the field of CSR, which affect the socially responsible management of enterprises, including agricultural. They are mainly aimed at respecting human rights in general and in specific areas: safety at work, environmental safety, anti-corruption, decent wages, compliance with legal and ethical standards and more. With regard to socially responsible management, in addition to the abovementioned, wages and anti-corruption, economic security and justice, social legitimacy of business and the market, social non-financial reporting can be distinguished. International documents are aimed not only at enhancing various aspects of sustainable development: both environmental (one of the main) and economic and social. All of them can be adapted to the enterprises of the agricultural sector.

Now let's move on to Ukrainian legislation governing socially responsible governance. It should be noted that there is no law that would regulate social responsibility, although many legal acts that indirectly affect it have been adopted.

One of the first is the Code of Labor Laws, which regulates labor relations of all workers, improves the quality of work, improves the efficiency of social production and raises on this basis the material and cultural standard of living of workers.

Law of Ukraine "On labor protection", which defines the basic provisions for the implementation of the constitutional right of workers to protection of their lives and health in the process of employment, appropriate, safe and healthy working conditions.

The Law of Ukraine "On Holidays", which establishes state guarantees of the right to leave, determines the conditions, duration and procedure for granting them to employees to restore their ability to work and improve their health.

Law of Ukraine "On Remuneration of Labor", which defines the economic, legal and organizational principles of remuneration of employees who are in employment, on the basis of an employment contract with enterprises, institutions, organizations of all forms of ownership and management.

Law of Ukraine "On Non-State Pension Provision", which defines the legal, economic and organizational principles of non-state pension provision in Ukraine.

The Law of Ukraine “On Professional Development of Employees” defines the legal, organizational and financial principles of the professional development of employees.

The Law of Ukraine “On Charitable Activities and Charitable Organizations” defines the general principles of charitable activities in Ukraine, provides legal regulation of relations in society aimed at the development of charitable activities, humanism and charity, provides favorable conditions for the formation and operation of charitable organizations.

The Law of Ukraine “On Investment Activity” determines the general legal, economic and social conditions of investment activity in Ukraine.

The Law of Ukraine “On Prevention of Corruption” determines the legal and organizational framework for the functioning of the system of prevention of corruption in Ukraine, the content and procedure for preventive anti-corruption mechanisms, rules for eliminating the consequences of corruption offenses.

The Law of Ukraine “On Natural Monopolies” — the purpose of this law is to ensure the effectiveness of markets that are in a state of natural monopoly, based on balancing the interests of society, natural monopolies and consumers of their goods.

The Law of Ukraine “On Advertising” defines social advertising as information of any kind, disseminated in any form, which is aimed at achieving socially useful goals, the promotion of universal values and the dissemination of which is not for profit.

The Law of Ukraine “On the regime of foreign investment” defines foreign investment as values invested by foreign investors in investment activities in accordance with the laws of Ukraine in order to make a profit or achieve a social effect.

Tax Code of Ukraine regulates relations arising in the field of taxes and fees, in particular, determines an exhaustive list of taxes and fees levied in Ukraine, and the procedure for their administration, taxpayers, their rights and responsibilities.

The Law of Ukraine “On Protection against Unfair Competition” aimed at establishing, developing and ensuring trade and other fair practices of competition in the conduct of economic activity in market conditions.

We couldn't but mention the following Laws that consider socially responsible management of any enterprise, namely: The Law of Ukraine “On the Status and Social Protection of Citizens Affected by the Chernobyl Accident”, The Law of Ukraine “On Social Protection of Children of War” etc. [10–24].

On January 24, 2020, the Cabinet of Ministers of Ukraine issued the Regulation approving the Concept of implementation of state policy in the field of promoting social responsibility of business in Ukraine for the period up to 2030. This concept outlines the directions of development of CSR in the areas of environmental protection, employment, development of labor relations [25]. Which becomes the basis of socially responsible management of any enterprise in terms of sustainable development.

Thus, when formulating the management system in enterprises, managers should focus on these laws, the new Concept for promoting the development of CSR, as well as global standards of social responsibility.

Socially responsible management of agricultural enterprises involves management on the basis of social responsibility, the introduction of these principles (responsibility to all groups of stakeholders) in the management system. This is especially true in the context of sustainable development and the activities of companies, taking into account the Sustainable Development Goals. Agricultural enterprises are no exception, their socially responsible management can be manifested in the responsible process of growing products, using high quality raw materials, when planning the product range, consumer orientation, environmental protection and more.

Conclusions. Sustainable development has become an issue of care at the highest level and its main focus is on human orientation and environmental protection through the latest production facilities and technologies that negatively affect the modern well-being of the population. One of the main components of sustainable economic development is social, which is most focused on people. Socially responsible management can be used to develop this at the enterprise level.

Socially responsible management of agricultural enterprises involves the formation of such a management system, which is based on the use of tools and forms of social responsibility. In forming a socially responsible management system of agricultural enterprises, we must rely on the basic legislation governing CSR.

All legal documents can be divided into two main blocks — international and national. International documents are mainly aimed at respecting human rights and freedoms. All these documents are voluntary to perform, which is a hallmark of international regulations in the field of corporate social responsibility.

Considering the Ukrainian legislation, it should be noted that there is no “direct” law that would

regulate both social responsibility or socially responsible management in particular in Ukraine. Although, at the same time, there are many indirect legislative acts. Socio-economic responsibility, in addition to the laws governing CSR, should also be subject to economic laws in the areas of taxation (for legal, fair business), competition (to be conscientious in the market), investment (using the tool of social investment and socially responsible

investment), advertising (in the implementation of social marketing), charity (in charitable activities, sponsorship, grants, etc.). That is, Ukrainian entrepreneurs are subject to mandatory regulation of these laws, and they have the opportunity to adhere to the norms and principles of international instruments in order to increase their social responsibility and implement socially responsible management under the condition of sustainable development.

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