FORMATION AND MANAGEMENT OF CORPORATE SOCIALLY RESPONSIBLE POLICY OF MODERN ENTERPRISES

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Corporate social responsibility is one of the key areas of management in the context of sustainable development. The concept of sustainability makes it possible to strike a balance between meeting the existing needs of humanity and taking care of the interests of future generations.

Previous years of research into the labour motivation of agricultural employees have led to the conclusion that, along with economic motivation, social motivation also plays an important role. Taking care of employees, creating a favourable working environment, building harmonious relationships with stakeholders, and the responsible attitude of enterprises to the ecosystem are the basic basis for creating a policy of socially responsible business.

And in the context of raising the issue of social responsibility management, we want to emphasise that the main task of a modern enterprise or corporation is not only to make a profit, but to create certain benefits that help achieve social goals and stimulate cooperation and social investment.

Thus, Burguete et al. (2022) focuses on the call for responsibility, emphasising the transition from business goals to responsible management in the direction of environmental, social and social impact with a high-quality and effective communication model. At the same time, in their research, scientists emphasise the importance of basic management theories as a tool for developing a social responsibility management model (Coombs & Holladay, 2011).

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Along with the problems raised, the issues of state motivation of agricultural enterprises to support social responsibility, expanded and sustainable principles of agricultural sustainability, and the formation of a methodological approach to assessing the effectiveness of social responsibility management not only in the context of sustainable development, but also in the conditions of war and the post-war period remain unresolved.

Based on empirical and scientific research, we have good foreign experience in social responsibility management. As the bibliographic review shows, today social responsibility in the context of sustainability is most often considered by scholars in the UK. The communicative element with the relations of a socially responsible enterprise with its stakeholders is preferred by scholars from East Asia.

An interesting experience is seen in the studies that CSR practices do not differ by the size of enterprises (large, medium, small, micro). However, large companies are more open about their activities in the field of environment and society. And companies that have direct ties with customers focus on the community in their transparency of information. And reporting only positively stimulates an open policy of social responsibility (Dias et al., 2019).

However, given the developments, this area is being formed in a completely different context and understanding. With the help of a synthesised approach to the study of scientific literature, we have some research prospects, in particular, social responsibility is now extremely relevant within the framework of green economy concepts, which helps to increase the beneficial results of the natural environment (Khaskhelly et al., 2023); foreign experience has shown that indicators of green economy functioning have a positive impact on economic performance (Mikhno et al., 2021); Zhang et al., (2022) note that climate change is forcing entrepreneurs to make an increasing contribution to the care of the environment. The environment is therefore a key indicator of a food system that contributes to the well-being of society by implementing a greening strategy (Misso et al., 2013).

Our own vision is that by studying the management of social responsibility of agricultural enterprises in the context of sustainable development, we are reaching a new level of the care

management. This can be a separate branch (concept) of basic management, for example, socially responsible care alongside the concept of corporate social responsiveness and the concept of corporate social performance.

Within the framework of care management, it has been proven that the development of social responsibility, especially towards employees of the enterprise, contributes to the fact that the employees experience better psychological well-being due to the increase of power, prestige, resources and emotional satisfaction (Aidoo & Kwakye, 2022).

However, today there are good practices of corporate responsibility that deserve to be researched and a new model of responsible management should be developed.

The pandemic situation has really shown the urgency of further development of this direction by enterprises and companies (Kashyap, 2023). However, such an issue as managing social responsibility in wartime cannot be avoided. Thus, certain CSR initiatives must be preserved in turbulent periods: projects of local communities (Cesarino et al., 2022), environmental initiatives (Niyommaneerat et al., 2023), Improvement aof working conditions (Vadakkepatt et al., 2021), Transparency and Ethical Governance (Vadakkepatt et al., 2021).

The management of social responsibility, labor resources remain the main key point. It is people who give the impetus to move the company in the right direction (Zaitseva, 2022). They create a responsible enterprise policy (Mikhailovsky, 2024). HR practitioners can act as a translator of the organization's CSR commitments vertically and horizontally between departments (Liu et al., 2024), it is the employees who understand the role of CSR in sustainable development and will promote the implementation of CSR ethics (Jha & Dash, 2023).

It is necessary to note that social norms perform protective, regulatory and educational functions, define rational limits of human freedom. The following types of social norms are distinguished: customs, traditions, moral norms, religious (canonical) norms, ethical norms, political norms, corporate norms, norms of public organisations, technical norms, cultural norms, legal norms, etc.

Depending on the types of social norms, the following types of social responsibility are distinguished: moral, religious, disciplinary, political, legal, etc.

Moral responsibility arises in case of violation of traditions, customs, cultural norms and aesthetic norms. It is reflected in public condemnation and social separation from the entity that violates or evades the norm of behaviour.

Political liability occurs in case of violation of the norms that society expects a public politician to observe.

Corporate liability arises in case of violation of corporate rules adopted by a particular social structure and having no legal significance.

Religious liability is based on the rules governing the practice of religious worship and on belief in God. All the above-mentioned types of social responsibility are passive in nature, as the negative reaction of society in these cases does not involve coercive action against the violator of the rules (Chih, H. L., Shen, C. H., & Kang, F. C., 2008).

Legal liability is incurred in the event of a violation of state-organized law.

It is active in nature, as it involves an active psychological impact on the offender, up to and including the use of coercive physical force. Thus, social and legal liability are correlated as general and special. These types of responsibility have the following common features:

✓ both social and legal responsibility are a means of guaranteeing and protecting social relations;

✓ they are established by certain subjects and guaranteed by certain means;

✓ they are a means of guaranteeing human rights and public interests;

✓ they are dynamic, i.e. they develop and transform along with social relations;

✓ exist in a certain area and are regulated by a certain type of 12 social norms;

✓ pursue a specific goal and have a functional orientation;

✓ provide for certain consequences for the offender;

✓ promote respect for human rights and freedoms and are manifestations of the culture of society.

In the process of the development of the social system, there is an increasing influence of society

on the economy, which leads to a qualitative change in relations in society and manifests itself in the form of a change in the «economized principle» a «sociologized principle» that comes not from the maximum satisfaction of the individual's needs, but from the interests of the development of society as a whole and of an individual in it.

International practice shows that the sustainable development of the company, which is based not only on economic, but also on social factors, leads to a decrease in business risks, strengthens competitiveness, increases the efficiency of personnel and the reputation of the company.

IN scientific understanding corporate social policy (KSP) represents is a system of relations between employers, administration and employees regarding the preservation or change of their social status, or otherwise - it is an activity to satisfy social needs, coordinate social interests, provide social services to workers and members of their families (Patrick Velte, 2017).

However, reduction of the corporation's social policy to only the internal manifestation of social responsibility of enterprises does not correspond to the realities and modern requirements. Therefore, there is a point of view that interprets definition of corporate social policy as «a system of management actions, aimed at ensuring effective interaction between the enterprise, society and the state, creation of a system of social guarantees within the enterprise, its participation in the implementation of social programs and events, formation of norms of corporate culture».

Since the formation of a KSP model acceptable for Ukrainian conditions is at an initial stage, in order to determine the basis of its formation, it is important to study the specifics and features of the main models of managing the social policy of the enterprise abroad and in Ukraine.

The identification of the most effective components and directions for the development of such activities in foreign countries allows us to determine the priority directions for the formation of the optimal model of corporate social policy. In the world, there are several well-established models of KSP, each of which reflects the socio-economic system that has historically developed in one or another country. The main models of corporate social policy include: the American model, the European model, British model.

The modern economy is global, and along with national models, it is more expedient to consider general educational, global stereotypes of socially responsible behavior. These include the "traditional conflict" model, the "socially responsible investment" model, and the "social achievements" model.

The formation of the optimal model of corporate social policy for modern Ukraine should be based on taking into account the features and positive experience of foreign models of social policy (Zhao & Xing, 2024).

By implementing the functions of the institution of social responsibility, CSR is a more important mechanism for managing the development of the company's human potential. In this connection, the analysis of the structure of corporate social policy is of interest.

Methodological analysis of the structure KSP made it possible to outline the main factors determining the development of the company's social policy. In the context of summarizing various positions of the research of the real content of corporate social policy, several typical approaches can be distinguished. Thus, (Bonnedahl et al., 2022) emphasizes two main components of KSP: *internal* (personnel development; raising the professional and qualification level of employees; creation safe conditions labor; formation corporate cultures; granting medical help and sanitation employees and members their families; youth support, implementation of educational projects; conducting sports and cultural events; implementation of material assistance, provision of benefits to employees and their family members etc.) and *external* (support of educational institutions; support of socially vulnerable segments of the population; support of housing and communal services and objects of cultural and historical significance; implementation of sponsorship assistance; fight against drug addiction and alcoholism, etc (Al-Tarawneh et al., 2024)

Another methodological approach is implemented,(Pasko et al., 2024) who singles out such areas of implementation of corporate social policy as: social development (professional education, innovative potential at the enterprise, non-material motivation of employees, provision of housing for employees); social partnership (the company's policy on remuneration, material payments and compensations, the system of personal and medical insurance, non-state pension provision, sanatorium-resort provision);

social responsibility (preservation of national and cultural identity, support of culture, assistance to social groups and public associations, environmental protection activities and environmental safety, creation of normal working conditions.

Shaporenko (2019) separates the directions corporate social policy according to the structure of its object - the collective employee of the company, who is considered as: 1) personnel resources; 2) a participant in a certain labor process; 3) a professional who is studying; 4) object of protection against social risks; 5) a representative of a certain social and age group; 6) subject of social partnership; 7) an individual with cultural potential.

Accordingly, they stand out the following main directions of KSP: 1) reproduction of personnel potential (selection, motivation, evaluation and promotion, release of personnel); 2) work and wages (rationing, organization, security and payment labor); 3) teaching and development staff (assistance implementation of programs educational, secondary, higher and professional training, preparation of personnel reserve, training of young specialists); 4) protection from social risks (health care, housing programs, non-state pension provision, social and household issues); 5) support of specific social groups of the population (children, youth, women); 6) regulation of social partnership; 7) provision of social and personal development of collaborators.

It is of some interest an approach to the analysis of the structure of corporate social policy in accordance with the structure of human potential, which covers the possibility and ability of a person as a worker, consumer, subject of free time and a resident of a certain territory. At the same time, KSP is interpreted as a mechanism for managing the reproduction of the company's human potential. Based on this formulation of the question, it is proposed to single out four aggregated blocks of corporate social policy, each of which contains specific areas of activity. Yes, management of reproduction of human potential as an employee includes: wages, labor protection, working conditions, industrial training, social partnership, career planning. To the control unit for reproduction of human potential as a consumer refers to: change in the cost estimate and product content of the consumer basket, indexation nominal salary; guarantees and benefits for employees under the collective agreement, availability of household social goods and services. Playback control potential a person as a subject free time includes costs for cultural and mass work, for physical culture, sports, tourism, etc. Control unit for reproduction of human potential as a resident of a certain territory includes expenses for the maintenance and development of social infrastructure and environmental protection (Khan, A., Muttakin, M. B., Siddiqui, J., 2013).

The ILO Declaration of Principles, the OECD Principles and the UN Global Compact principles are the main references for the development of a company's corporate policy in the context of sustainability. Thus, corporate social responsibility covers the social responsibility of companies in business and human rights. However, in addition to these fixed goals, commitment to CSR often serves PR purposes. After all, if it becomes known that your organisation is voluntarily giving of itself to a higher purpose, it can significantly improve your public image.

Since the term corporate social responsibility is not defined in detail, there are different approaches to structuring the concept behind it: The area of responsibility model developed by German sociologist Professor Dr Stefanie Hiss is relatively well known. It divides corporate social responsibility into three areas, each named according to the nature of its social impact:

Internal area of responsibility. This is where all the internal policies and processes that are not publicly disclosed but that set the ethical direction of your organisation are grouped. This includes all internal processes that influence your corporate strategy as such. The internal responsibility area is therefore largely a management matter and has a decisive influence on important decisions, for example, on fair and realistic growth planning to achieve healthy profitability or cooperation with partners. It defines the company's own responsibility, for example, to avoid possible cartels and monopolistic positions.

Middle area of responsibility. The middle area of responsibility includes all areas that are generally recognised as having a direct impact on the environment, people and society, but are still part of the normal business process. This includes all actions whose impacts are more or less measurable. This includes, for example, CO2 emissions and pollution, as well as the working conditions of your employees. It also includes responsible cooperation with companies that also act ethically. The middle

area of responsibility is often the most difficult to coordinate, but it is increasingly important because it is where the most damage can be done. This affects not only the reputation of your company, the environment or society, but also your stakeholders. These include all those who have an interest in your company's processes, working conditions and, in most cases, the success of your company, such as employees, trade unions, equity and debt investors, customers, suppliers, local communities or the press.

External area of responsibility. As part of their corporate social responsibility, many organisations not only focus on internal processes, but also take on social responsibility outside their operations. This area is often identified with the term "corporate citizenship". This includes philanthropic activities (usually social commitments in the form of donations, sponsorships or social activities) for which daily work is also interrupted or adapted if necessary.

Before you think about implementing the concept of corporate social responsibility, you should consider why you are doing it and what goals you want to achieve. Even if you have already made CSR efforts, it can be useful to take a second look at the motivation behind it and reassess your own commitment. This can help you to focus and categorise your efforts, for example to see which activities are actually being implemented and how. An appropriate method for identifying material issues and stakeholder groups with their requirements is materiality analysis.

Every organisation that wants to implement corporate social responsibility or is already doing so should ask itself what the reasons are for doing so. Closely related to this is the question of what you want to achieve with CSR. The reasons are different (Choi, H., & Moon, D., 2013):

1. Economic goals. When a company introduces CSR, it is often linked to the hope of economic gain. Often, there is a desire to differentiate oneself from competitors, gain new customers and bind customers to one's organisation. Good supplier management along the supply chain from a CSR perspective also plays an important role here.

2. Self-motivation. Particularly in small and medium-sized enterprises (SMEs), personal motivation to get involved with others or sustainability often plays an important role. Here, CSR is largely not targeted or used for communication.

3. External motivation. In recent years, corporate social responsibility has become a "must-have" for many large companies. The public, customers and stakeholders now expect a certain level of commitment in this regard.

4. Employee motivation. In the battle for the best employees, positioning yourself as an attractive employer can certainly pay off. Especially in smaller organisations, employee motivation is an important factor in CSR commitment.

5. Cost reduction. A new, more resource-efficient machine can save huge costs. Reducing the number of unnecessary printouts is another example of how environmental protection and cost savings can complement each other perfectly.

6. Compliance. Legislators are becoming increasingly active at both national and European levels. Examples from Germany include the Supply Chain Act (Due Diligence Act) and the now stricter Climate Protection Act. At the European level, there is a European Parliament resolution of 10 March 2021 with recommendations to the European Commission on due diligence and corporate responsibility.

In general, it is inappropriate to pursue only economic interests when introducing corporate social responsibility. In recent years, such attempts have attracted a lot of public attention and have been criticised. Greenwashing (i.e., green laundering, mimicking an environmentally friendly company) is often quickly suspected.

If the company or its top management believes in the rightness of social or environmental commitments, it will be easier to live and implement CSR. Of course, the economic aspects cannot be ignored. Therefore, it is important to always keep the triad of economy, environment and social issues in mind.

When implementing corporate social responsibility (CSR), strategy, operational implementation and communication of CSR commitments are important success factors. In addition, the willingness to engage in dialogue, as well as the ability to adapt and learn, are important. It is worth paying attention to the following:

✓ Living values. Organisations with values-based leadership are more successful in terms of

corporate social responsibility. Personal contact between management and employees creates the basic conditions for the realisation of the company's own values.

✓ Real communication. A little tact is required here. On the one hand, CSR communications should not turn into a "marketing gag", but on the other hand, commitments should not be kept quiet. In many cases, a glossy brochure is not needed. Classic PR, the use of social media channels and radio broadcasting can ensure that the right message is spread.

✓ CSR as part of the business strategy. Corporate social responsibility is impossible without the support of top management. Especially in mid-sized companies, executives are the driving force behind the issue. They exemplify the values that ultimately distinguish an organisation. Activities close to the actual core business are often the most crucial. Commitment to the region is often taken for granted. If, for example, a painter helps to renovate a local kindergarten for free, this has a more lasting effect on the local level than a donation to a children's village.

✓ Measuring CSR success. To ensure that CSR is successful in the long run, it is important to talk about measures and have an overview of activities. For example, environmental indicators are now easy to collect. But other areas of CSR often require little effort as well. Surveying key stakeholders during management and planning helps you to make CSR success visible and communicate successes.

✓ While large companies and corporations are often already quite advanced when it comes to CSR, medium-sized companies still lack the right approach. First and foremost, there is a lack of strategic implementation. To achieve this, an organisation must be clear about its own responsibilities and transparently formulate and communicate its goals and activities. The following points should always be kept in mind:

✓ The top management is the backbone of the CSR strategy and should be supported by it, if possible, directly represented by the CEO. This way you can show that your CSR activities are not just a PR exercise.

According to the standards for preparing a corporate social report, it should contain the following data: key information about the organisation's activities for a certain period in the context of sustainable development and various aspects; significant attention in the report is paid to corporate governance and expanding the dialogue with stakeholders - these issues are very important for increasing the company's transparency and compliance with activities with the best international practices; presentation of information in the field of social and labour relations, improvement of working conditions, quality of life of employees, which reflects the company's desire to maintain the status of one of the of the best employers in the country; part of the of the report is devoted to the company's actions in the field of occupational safety and health of its employees; the report reflects the company's relations with local communities: the principles of social partnership, the main approaches to the company's activities in developing the areas where it operates, programmes and projects implemented; an important place in the document is occupied by information about the impact of the company's production processes of the organisation on the environment, reduction of the negative impact of production on the report describes the company's activities in the development of new technologies and new business practices in the field of sustainable development .

Ukrainian companies that have prepared reports in accordance with the GRI standards in accordance with GRI standards, are large organisations. Some of the companies that have prepared these reports, noted that in order to collect the necessary data and prepare the report, it took them at least six months to collect the necessary data and prepare the report. The limited use of GRI standards by companies in Ukraine and other countries can be explained by the large volume and complexity of its guidelines for use by small organisations. To sum up, a corporate social report demonstrates significant social aspects of the company's operations. This, in turn, contributes to business development and improves the company's image. The peculiarity of preparing such reports is that it is prepared according to certain standards and includes indicators that characterise the company's social performance.

The most common regulatory framework for social reporting is the Global Reporting Initiative - gives companies the right to choose, as it is voluntary.

CSR as part of the overall strategy. Commitment to social responsibility affects the entire organisation and its actions. It is important to publicly commit to CSR and to act and communicate

accordingly.

The first step is always to articulate your goals and make them part of the corporate culture. In a so-called "voluntary commitment", goals such as quality, consumer protection, environmental protection or diversity are written down.

Stakeholder engagement. Already at the strategic planning stage, the most important stakeholders should be involved in the CSR process and a dialogue should be sought with them. This provides the organisation with many new influences and starting points from which to obtain valuable input. Key stakeholders include employees, business partners and suppliers, capital providers, consumers, non-profit organisations, and the social, cultural and political environment (Choi, B. B., Lee, D., & Park, Y., 2013).

Communication for transparency. Communication should always be a central component of a CSR strategy - not only after successful activities, but certainly during the planning stages. You should ensure internal and external transparency by continuously documenting goals and activities and communicating them to stakeholders.

Willingness to cooperate. Corporate social responsibility does not end at the company's boundaries. Your company should also be actively involved in discussions on key issues, for example by joining associations and other initiatives. You should also influence your business partners and suppliers to implement common goals and activities.

Consideration of local and regional needs. Your company always operates in its place as part of a community, and therefore in a social, cultural and political environment. Therefore, your CSR strategy should always include responsibility for the development and actions of the community in your own region, such as integration, environmental protection, social needs, demographic changes, etc.

Introduction of the CSR concept. The development and implementation of a CSR strategy should always be based on a solid concept in which activities and objectives are clearly defined and communicated. This framework should clarify how the CSR strategy is integrated into the company's operations and core business. A good orientation here is provided by so-called management systems, which give you fixed structures and guidelines.

Further development of the CSR project. Above all, if you decide to implement a professional management system, you also commit yourself to the further development of your CSR activities. Such a project should never stand still, but should constantly adapt to new circumstances, optimise outdated standards and set new standards.

Your commitment to corporate social responsibility can be made visible not only through communication and PR. First and foremost, certificates are a strong confirmation of your achievements in this area. You also provide your customers, partners, employees and other stakeholders with proof that you are operating in a sustainable and exemplary manner. This is because certificates make it easier to understand the interrelationships within your company.

With a certificate, you can prove that your company voluntarily complies with certain mandatory regulations. These sets of rules provide you with so-called management systems that help you to implement certain measures and quality characteristics in the areas of management, product development or dealing with interest groups. If you then have the implementation of your management system certified, you can make your voluntary commitment visible and thus improve your reputation both internally and externally.

Verifying your corporate carbon footprint. From recording your greenhouse gas emissions to verifying your greenhouse gas footprint, ISO 14064 shows you the way.

However, implementing such a management system does not only regulate your CSR processes. It also commits you to a continuous improvement process (CIP).

The standards behind these certificates differ primarily in their expressiveness. If they are developed by a single company or industry, they are often less credible than if they are carried out by a service provider specialising in certification and accredited by Deutsche Akkreditierungsstelle GmbH (DAkkS), such as DQS.

As an independent third party, an accredited certification company monitors, among other things, compliance with voluntary commitments, for example, within the framework of a Code of Conduct, which further increases trust. Specific targets, transparent reporting on compliance and sanctions for

non-compliance ensure that certification also has a measurable added value.

Once your organisation is committed to achieving a particular standard, the first step is to verify compliance internally. In the subsequent certification process, an independent auditor (expert/consultant) confirms your approach. He or she visits the site, reviews documents, checks that the objectives have been met, and thus makes sure that the set of rules is being followed.

One of the examples of compliance with corporate policy and social responsibility is the national company for marketing and sales of Toyota and Lexus cars, spare parts and accessories in Ukraine and Moldova FDI Toyota Ukraine, like all enterprises of the Toyota Group, is guided by the principles of corporate social responsibility policy in carrying out its activities.

"Toyota is fully aware of its responsibility to society. In determining its development strategy and in its current operations, the company assumes that strict adherence to the principles of social responsibility is a prerequisite for sustainable business development. In accordance with these principles, the company sees its tasks not only in producing products necessary for society, but also in promoting social progress, increasing the welfare of society in general and improving the living standards of its employees in particular.

The company strives to conduct its production activities in strict compliance with the requirements of not only environmental legislation, but also its own environmental policy and the Toyota Environmental Charter.In practice, this means that every employee in the office or at the production site strives to take care of natural resources, namely to save electricity and water, and to use paper rationally, trying to use electronic reusable media to a greater extent. The relationship between the company's management and employees is based on the principles of social partnership. "Toyota provides employees with competitive remuneration. Toyota pays special attention to the professional development of its employees. Training and professional development programmes are available on an ongoing basis.

"Toyota conducts active charitable and sponsorship activities both independently and in partnership with public and government organisations, involving its employees in socially effective projects in the social and environmental spheres. As part of its social responsibility policy, Toyota promotes the development of culture, sports and education. The company pays special attention to programmes related to road safety. In particular, Toyota is constantly promoting the use of seat belts. Experts firmly believe that this simple device has helped save the lives of millions of motorists in emergency situations (*Toyota*, 2024).

Social partnership and social dialogue. Consistent systemic development of social relations based on the principles of social responsibility requires sustainability and appropriate quality in the system of interaction between the main business entities - between the state and society, business and government, owners and employees. This is a basic prerequisite for the accumulation of social and institutional capital, growth of social integration and public trust, stabilisation of the socio-political and socio-economic situation in the country and its regions (Novikova. O. F., 2016).

Today, partnership relations between employees, enterprises and employers are not always positive and sometimes have a conflictual nature. The predominant way of regulating the relations of hired labour is becoming the way of reaching an agreement between labour and capital, which is called "social partnership". However, along with the conflict of interests, there is also a commonality: ensuring the effective functioning of the organisation as a prerequisite for realising the interests of both employers and employees. Ukraine is a welfare state whose policy is aimed at creating conditions that ensure a decent life and free development of people. This gives grounds to recognise the need for the state to guarantee human rights, which leads to the recognition of the need for social cooperation or partnership.

Social partnership (SP) in the traditional sense is a system of relations between labour, capital and the state to resolve contradictions in the interaction of leading social forces (Lazarenko V.I., 2019).

The social purpose of social partnership is the practical implementation of a coherent socially oriented policy, facilitating the settlement of social conflicts, overcoming crisis phenomena, and ultimately improving the quality of life of the country's citizens in the broadest sense.

It should be noted that social partnership is carried out at different levels: international (mega-

economic), national (macro-economic), sectoral and regional (meso-economic), and industrial (micro-economic). To ensure effective social partnership, it is necessary to build an effective social dialogue. The parties and levels of social dialogue are described in more detail in Table 1.

Social partnership means that employers and employees work together to avoid conflicts and achieve common goals. For example, based on the German experience, the interests of entrepreneurs and farmers are represented by the Chamber of Commerce and the Chamber of Agriculture. The two sides often represent opposing points of view - quite strikingly, for example, when trade unions demand higher wages, while employers do not want to pay higher wages. Social partnership is therefore about finding rational compromises between both positions. This happens, for example, during annual collective bargaining. However, social partners also have a say in laws and other important economic and social policy issues (labour market, healthcare, etc.) and make suggestions. This way of cooperation is an important achievement.

In Austria, conflicts of interest have been discussed and resolved in partnership for many decades. The fact that both parties should approach each other ensures social balance. The aforementioned European Social Dialogue is part of the European social model and a recognised tool for effective governance and social subsidiarity.

In times of crisis, it has also demonstrated its importance as a social cushion, helping to mitigate the negative effects of the economic downturn. The European social dialogue consists of discussions, consultations, negotiations and joint actions involving organisations representing the two sides of the labour market - employers and employees.

It is worth emphasising that the EU and the European Commission have committed themselves to promoting European social dialogue, both at the cross-sectoral and sectoral levels. Social dialogue issues are reflected in the EU's fundamental documents - the Maastricht and Amsterdam Treaties (Articles 138-139).

Table 1. Parties and levels of social dialogue in Ukraine.

Levels of social dialogue				
	National level	Sectoral level	Territorial level	Local level
Parties to social dialogue	All-Ukrainian trade unions and their associations	All-Ukrainian trade unions and their associations operating within a certain type or several types of economic activity	Trade unions of the relevant level and their associations operating in the territory of the relevant administrative-territorial unit	Primary trade union organisations, and in case of their absence - freely elected representatives (representative) of employees for collective bargaining
	All-Ukrainian associations of employers' organisations	All-Ukrainian associations of employers' organisations operating within a certain type or several types of economic activity	Employers' organisations and their associations operating in the territory of the relevant administrative-territorial unit	The employer and/or authorised representatives of the employer
	Bodies of executive power Cabinet of Ministers of Ukraine	Relevant central executive authorities	The party of executive authorities, the subjects of which are local executive authorities operating in the territory of the relevant administrative-territorial unit	–

Table 1. Continuation.

	National Tripartite Social and Economic Council	Sectoral tripartite socio-economic councils	Territorial tripartite socio-economic councils	The employee side, which is represented by the primary trade union organisations, and in their absence - freely elected representatives of employees. The employer's party, which is represented by the employer and/or authorised representatives of the employer
Agencies for social dialogue				

Source: compiled by the authors on the basis of the Law of Ukraine "On Social Dialogue in Ukraine".

At the intersectoral level, bilateral social dialogue takes place between the European Trade Union Confederation, the Council of European Professional and Managerial Personnel and the European Confederation of Management and Supervisory Personnel on the employee side and the Confederation of European Businesses, the European Centre for Employers and Public Service Providers and the European Association of Small and Medium-sized Enterprises on the employer side.

Since 1998, the European Commission has established 41 sectoral social dialogue committees to conduct sectoral social dialogue at the European level. The committees are composed of a maximum of 64 members, equally representing employees and employers. The committees meet at least once a year. In total, the sectoral committees have adopted more than 500 documents, including autonomous agreements, codes of conduct, guidelines, joint statements and projects. The main thing is that the agreements can be implemented through EU directives (Mizhnarodni profspilky Ukrainy, 2022).

According to expert Hagen Lesch, in Germany, every second employee is covered by a regional collective agreement. In the UK, on the other hand, there are no sectoral collective bargaining agreements, but there are many decentralised agreements at the company level. In France, the situation is different, as the state regulates a lot. But compared to other countries, we have few strikes. In Germany, social partnerships ensure a high level of social stability and social peace. Although about half of the companies are not bound by collective agreements, they are nevertheless governed by them: the collective agreement thus also has an impact on these companies and their employees. The freedom to decide for or against collective bargaining should remain. This is one of the reasons for the positive development of the labour market that we have seen since the mid-2000s. For example, short-term work, which was first used during the financial crisis of 2009/2010 and then again to a greater extent during the coronavirus pandemic, in cooperation with the government. In a fully decentralised system, this probably would not have worked as well. In this sense, social partnerships enhance crisis response capabilities. Experience has shown that in difficult times, social partners can quickly agree on measures that can protect jobs. During the corona crisis, it also helped that the interests of small and medium-sized enterprises covered by collective bargaining agreements were particularly taken into account through flexible regulation (U. Wirtz, 2022).

Social partnership provides security. Because without social partners, there are no collective bargaining agreements, the welfare state is fragile. The Chamber of Labour is a house of knowledge and experts where laws are reviewed, studies are prepared and much more. Trade unions The Austrian Federation of Trade Unions (ÖGB) organises works councils, youth trusts and staff representatives, trains them and supports them in their daily work. This means that the trade unions are very close to the

employees of the companies and know their daily lives. Trade unions also regularly negotiate collective agreements and try to get the best possible deal for employees.

It is worth noting that the scientific literature has different approaches to classifying forms of public partnership, depending on the focus of partnership formation (for the implementation of priority infrastructure projects, for attracting private sector management expertise, partnerships with a priority to attract Build-Own-Operate, Build-Operate-Transfer, Buy-Build-Operate, Design-Build-Operate, Build-Develop-Operate, etc.

Given the foreign practice of social partnership as a tool for "healthy relations", it is worth focusing on the functions of social partnership. Scholar L. Savchuk proposes to systematise and divide the functions into two categories and seven levels. Thus, the functions of the primary level are reventive, protective, reproductive, redistributive, and controlling functions. Secondary functions can be: stimulating, stabilising functions (Figure 1).

We also share the view that in the context of social partnership, entrepreneurship, on the one hand, initiates the creation of a middle class that serves as a buffer against the development of social conflicts (microeconomic level), and on the other hand, models socio-economic policies that prioritise social protection (macroeconomic level). The prospect of developing such protection is aimed at overcoming poverty. In other words, the management of social and labour relations implies preservation of the dominant role of the state. Thus, the goal of social partnership is to solve acute social problems and tasks without compromise, and its role is based on the principles of tripartism (interaction of three parties - the state, employer, and employee - in the field of social and labour relations) (Savchuk L., 2016).

The institutionalisation of social partnership actors, their interaction and mutual influence contribute to the development of social responsibility. This is confirmed by the following provisions:

1. For representatives of society (trade unions and employers' associations), interaction with the state on the principles of social partnership serves as an important element of their own democratic development and organisational strengthening as institutions for realisation of social and political activity of their members.
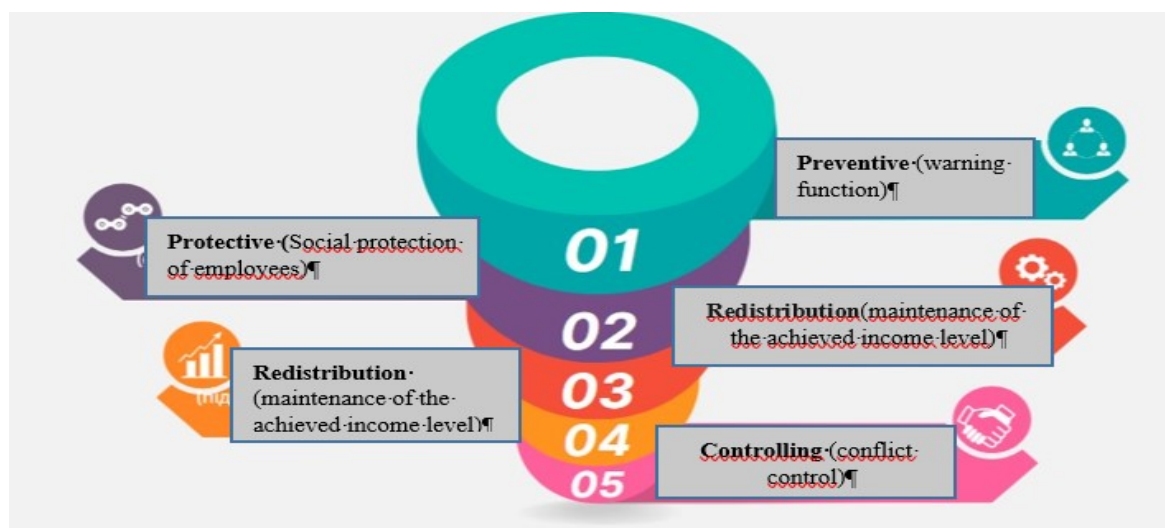

Figure 1. The hierarchical sequence of functions of the primary level of social partnership.

Source: author's construction based on (Savchuk L. M., 2016).

2. The mutual influence of employers' associations and trade unions in the system of social partnership contributes to the formation of mutual tolerance and civic responsibility necessary for democratic development.

3. The influence of trade unions and the government on employers contributes to the formation of social responsibility of business to society.

In view of the above, in their study, researchers S. Tsymbaliuk and T. Shkoda (2020) found that

the level of the institution of social partnership and collective bargaining management at different levels remains low, which is confirmed by the inconsistencies in the implementation of most provisions of the Sectoral Agreements. Among the proposed measures, we share the scientific view in the following positions:

✓ It is necessary to define at the legislative level the types of liability of officials for violation of the law "On Collective Bargaining Agreements" and failure to fulfil their obligations, in particular, for violation of the social rights of the partners during collective bargaining, obstruction of control over the implementation of the main provisions of collective agreements and contracts at various levels;

✓ It is regulation of collective bargaining, social and labour relations in the development of the content of general, sectoral, territorial agreements and collective bargaining agreements in order to provide relevant recommendations to the social partners;

✓ It is recommended to raise employees' awareness of their rights, in particular in the area of remuneration and social security.

Modernisation of social dialogue institutions, including specific legislation, is a priority for public authorities and other social partners. This approach will address the lack of proper regulation and prevent social partners from freely interpreting the provisions of the law. The involvement of all parties to social dialogue in the negotiation process should be carried out in two directions (Lopushniak H., Marshavin Y., Kytsak T. O., Iastremska O., 2021):

1) Ensure that "non-representative" organisations have the right to participate in social dialogue by granting them the right to an advisory vote;

2) expand the circle of social dialogue participants by engaging the general public. Non-governmental organisations cannot be an independent party to social dialogue, so their participation is possible only within the framework of tripartite bodies, and the rules of procedure should contain provisions that will provide such opportunities (Rykhli L., Prittser R., 2003). The implementation of these stages of social dialogue reform will ensure: raising its status; expanding the subject matter and sphere of influence on social, labour and other social relations; organising effective control over the implementation of the decision of the parties to the dialogue; taking into account the peculiarities of the country's socio-economic realities; transparency of decision-making by the social partners; developing a consolidated position of the parties to the dialogue; strengthening socially responsible behaviour of business organisations; and approaching the standard of such dialogue (Kharchenko T., 2012).

Thus, given the extraordinary social and economic benefits of social partnership and social dialogue as a tool for managing the corporate policy of a modern enterprise within the framework of socially responsible business, the role of the state in this process should not be the least. Since sustainable development issues are the responsibility of public authorities, it is the state that should be actively involved in balancing the parties to social partnership, ensuring compliance with laws and regulations. After all, widespread corruption, prevalence of corporate interests, and a persistent practice of ignoring and failing to comply with existing laws by various actors are significant obstacles to the creation of a civilised social and corporate partnership in Ukraine.

Therefore, social and corporate responsible partnership in the context of sustainable development is a necessary condition and quality of the system of social interaction between social actors at all levels of government. And the more such enterprises there are in the country, the higher the overall result of economic activity in the economic system, the more tangible its social effect.

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