## Економіка інноваційної діяльності підприємств

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## THE SOCIAL RESPONSIBILITY IN THE DEVELOPMENT ENTREPRENEURSHIP SME(SMALL AND MEDIUM BUSINESS)

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The purpose and objectives. Nowadays the involvement of small business to business practices based on the principles of social responsibility are insufficiently studied. The purpose of this article is to justify the need to attract small businesses to practice corporate social responsibility.

The subject of the research. Corporate Social Responsibility (CSR) is a modern philosophy conduct business, focused on the deliberate and systematic incorporation of the company in the interests of stakeholders. As well as a voluntary initiative of the CEO or founders of the organization to develop and implement specific socially oriented, non-profit activities aimed at improving the quality of internal and external to the company or organization environment.

**Recent studies and publications.** Exploring the latest trends of social responsibility in Ukraine and the world can be found in the writings such as G. Andruschenko, I.Baranovskyy, A.Voronina, I. Kuznetsov, N. Kozachuk, F. Yevdokymova, O. Filipchenko, H. Popovych.

*Methods and tools for research*. Research scientific works of national and foreign scientists, businessmen and public figures. On the basis of the current state of social responsibility was defined prospects of implementation of management on the basis of social responsibility.

Scientific novelty and practical significance of the results. The development of Ukrainian business, the integration of Ukraine into the world economic system poses new questions Ukrainian companies, one of which is associated with social responsibility. Today, both national and local level, there are examples of active social responsibility of entrepreneurs worthy of imitation by their colleagues, including foreign ones. However, examples of modern Ukrainian CSR is not yet widespread and need incentives for their development. This article explores the state of CSR in Ukraine highlighted the fundamental principles of CSR proposed classification socially responsible company initiatives and models of social responsibility for small, medium and large businesses.

**Research results.** Small business is an important task of the Ukrainian economy, and that is why it is urgent consideration of the reasons that hinder the development of SMEs.

The main factors that opposes development are:

- lack of clearly articulated system regulations;
- lack of real and effective mechanisms for financial support;
- uncertainty of entrepreneurs in business stability.

In recent years, Ukraine held considerable progress CSR. At the national level it is manifested as follows:

- saw the first professional organization, in particular, Ukrainian Global Compact Network;
  - a large number of companies declaring own social responsibility, although few of They publish reports on CSR and to declare corporate web pages three and activities more categories of CSR;
- there is a group of managers responsible for Ukrainian aspects of social responsibility companies;
- annually two major event dedicated to CSR, and about two dozen professional forums and seminars;
- intensified information flow on social responsibility (for information public, specialized sources etc).

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However, noting the fact is that examples of modern Ukrainian socially responsible business is not yet widespread and need incentives for development. One of these incentives is the availability of the proposed models implementing CSR for small, medium and large businesses.

The concept of social responsibility in Ukraine is developing quite difficult. Most companies do not have a defined strategy CSR are at the stage of compliance and point-beneficial projects. Ukrainian business leaders, including private ownership, actively carry out charitable activities (strategic philanthropy) and use the tools of public relations (PR). Almost all companies carry out projects improving the efficiency of business processes with certain social or environmental benefits, but most does not bind such business projects in their own social responsibility.

Indisputable is the fact that it is impossible to develop a unified concept or model of social responsibility for all companies in general. Each company has its own specific activities, geographical location, specific financial situation, and many other components that affect management decisions about their corporate social responsibility of the company.

And still worth trying to make the division not sectoral, but rather the largest capacity (size business enterprises) as regards the various socially responsible initiatives.

Among the social projects or initiatives socially responsible companies are the following:

- 1. Aimed at the internal environment of the company (focused on employees or modification of infrastructure / production).
- 2. Aimed at business environment, which in turn can be divided into: a). external projects that do not meet key business companies; b). exterior projects related to the core business activities of the company.

Small or medium sized business can not implement projects related to their core business activities. But typically for such initiatives need more financial resources, which usually has a big business. Therefore, it seems that these are models of CSR practice inherent appropriate size businesses.

Contemporary Ukrainian socially responsible business faces many obstacles in its path, study and resolution of which is an urgent task. And certainly needs to develop incentives, including important is the availability of the proposed models proceedings CSR for small, medium and large businesses.

*Conclusions.* So, better and wider implementation of CSR by Ukrainian companies can help create new markets in Ukraine and abroad, to help solve social and environmental problems, improve access of Ukrainian companies to international capital markets, increase the capitalization of Ukrainian companies and sustainable development of the country as a whole.

Key words. Social responsibility, small and medium enterprises (SME), social projects.

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