UDC 621:364:797:664
DOI: 10.31339/2313-8114-2020-1(13)-123-128

The Development of Social Business Standards in the Context of Restructuring Corporate Information Systems

Zinaida P. Urusova*, Valeriya I. Zubachova

Zaporizhzhia National University
69600, 66 Zhukovskogo Str., Zaporizhzhia, Ukraine

(Received: 25.01.2020, Revised: 24.02.2020, Accepted: 23.03.2020)

**Corresponding author*

Abstract. The relevance of the research subject is conditioned upon the problems of informatisation of managers, more efficient and safe business development, and social protection of workers. The purpose of the paper is to study corporate social responsibility (CSR) as a component of national business, determine promising areas of its development in Ukraine, study the prospects for using the basics of sustainable development in enterprises by means of restructuring corporate information systems (CIS). Research methodology: use of statistical data to analyse the participants of the UN Global Compact by type of organisation and field of activity, determine the specific features of CSR. The main problems of CSR in Ukraine have been analysed. The dynamics of enterprises taking part in the UN General Agreement in Ukraine since 2016, which have joined to implement social standards of responsibility, have been determined. The paper systematised approaches and areas for the development of social corporate responsibility as promoting sustainable economic development. It has been identified that the implementation of the main provisions of the concept of sustainable development is possible by using an additional module to CIS with information on the main provisions of the concept of sustainable development. The main problems were identified, such as mechanisms of practical promotion of CSR; lack of finances to participate in social investment; low level of legal awareness of business; closeness of companies to the general public; distrust of cooperation; incorrect information about the CSR in Ukraine; prospects for the development of CSR in Ukraine. It has been determined that the sustainable development module in CIS will be able to cover such functional tasks as training and testing of personnel; providing information to the manager

Keywords: corporate social responsibility, socially responsible business, sustainable development, partnership, corporate information systems, restructuring

The Problem Statement

Corporate social responsibility (CSR) has become increasingly widespread in recent years. Developed countries form the public perception of business not only in terms of its profitability but also in terms of the price and consequences of making a profit, that is, the market mechanism of functioning of economic entities includes social and environmental functions, which is reflected in the market value of the company.

In recent years, the concept of the successful state has been increasingly linked to global concepts of human development and human capital, the implementation of which is one of the priority areas of activity of the world community. In Ukraine, these processes are in their infancy. Only a few managers-practitioners of leading financial and industrial groups and companies show the greatest interest in CSR in Ukraine.

In addition, the society has recently faced problems of more efficient and safe development of humanity, preservation of the environment, social protection of workers, ecologisation of production, and most importantly, informatisation as one of the main impulses for the development of progress and society. These issues are considered in the

Suggested Citation:
Urusova, Z.P., & Zubachova, V.I. (2020). The development of social business standards in the context of restructuring corporate information systems. *Scientific Bulletin of Mukachevo State University. Series "Economics"*, 7(1), 123-128.

concept of sustainable development. The search for opportunities and methods of transmitting information about the fundamentals of sustainable development in the most effective way is now one of the top priorities for the development of socially ethical business and the global economy. Thus, this method can be the introduction of additional modules in corporate information systems (CIS) [1; 2].

Analysis of Recent Research and Publications

The research on social responsibility of business structures, the development of business structures is widely represented in the works of H.R. Bowen [3], M. Fridman [4]. In modern Ukrainian science, this problemis considered by such scientists as Yu.Yu. Petrunin, V.K. Borisov [5], O.Yu. Kirichenko, V.Y. Kutsenko [6], P. Yanitsky, M.V. Fursa, [7], V.V. Dmitriev-Zvrudenko [8], M.I. Murashko [9], A.M. Kolot [10], and others. However, this problem requires further in-depth study.

Separately, the scientists who focused on studying the features of the Ukrainian model of CSR implementation should be mentioned. In particular, V. Vorobei [11] determines the prospects for the development of CSR and proposals for the adoption of the National CSR strategy; A.M. Kolot [10] considers the role of social responsibility in overcoming the economic crisis; L. Petrashko [12] studies the involvment of Ukrainian companies in the UN Global Compact.

A. Dubivka, S. Voitko [2], I. Lebedev [13] pay attention to research of the concept of sustainable development from various aspects. CIS are becoming widespread in many enterprises, their development, implementation and use in various areas were considered by A. Dubivka [2], R. Litnarovich [14], and other scientists. However, there is still a lack of research on CSR, almost no combination of modern opportunities of the information space, informatisation, and creation of modern CIS for implementing the standards of the concept of sustainable development, even its individual elements of social, ethical, environmental business standards is studied.

Purpose of the Study

The purpose of the paper is to study CSR as a component of national business and determine promising areas for its development in Ukraine, as well as an attempt to study the prospects for using the foundations of sustainable development in Ukrainian enterprises by means of restructuring CIS.

Research Results

In the modern business environment, there is no single approach to the interpretation of CSR. According to the well-known economist M. Friedman, the social responsibility of an enterprise is to grow and maximise profits. According to another definition, social responsibility of an enterprise is a way of managing business processes to ensure a positive impact on society [1; 12; 14; 15].

The World Business Council for Sustainable Development (WBCSD) defines CSR as the obligation of business to promote sustainable economic development by working with employees, their families, the local community, and society in general to improve the quality of life [16; 17].

According to the memorandum on CSR in Ukraine, the term CSR should be understood as the responsible attitude of any company to its product or service, consumers, employees, partners, active social position of the company, which consists in harmonious coexistence, interaction, and constant dialogue with society, involvement in solving acute social problems [1, p. 178].

Among the key features of the Ukrainian CSR model are the following [1; 11; 14; 15; 18]:

- lack of an ideology of socially responsible entrepreneurship and a high level of civic consciousness in Ukraine;
- the forced nature of CSR in Ukraine since for some entrepreneurs, CSR is a response to the request of the authorities, and some even consider it a form of state racketeering; besides, this is indirectly confirmed by a small number of companies that have joined the UN Global Compact in Ukraine;
- lack of transparent procedures for developing social policy at the level of the state, regions, and at the level of enterprises; dependence of forms and methods of social activity of companies on personal preferences and interests of managers and owners, which is conditioned, in particular, upon an increase in the role of managers in the post-privatisation period;
- high variability of forms of social activity formed at individual enterprises and companies, in particular, through their own balance between economic efficiency and social necessity;
- high differentiation of social corporate benefits, which are aimed at top managers and to some extent at highly qualified personnel (especially recently);
- there is a considerable gap between society and business in terms of understanding the priorities of social responsibility.

The solution to these problems can be the introduction of tax incentives for socially responsible companies. This will provide them with financial resources and create boundaries of mutual understanding between society, government, and business.

The practice of CSR has become commonplace for Ukrainian enterprises, most top managers know about CSR but not all implement it. Thus, 75% of top managers surveyed in Ukraine are aware of CSR.

Nowadays, the key companies in Ukraine that operate corporate responsibility standards are leading transnational corporations and Ukrainian companies, which are leaders in the development of CSR trends in the Ukrainian business environment. These are, in particular, TNK-BP Ukraine, Siemens Ukraine, Nissan Motor Ukraine, Tetra Pak Ukraine, Coca-Cola Beverages Ukraine, Vitmark Ukraine, Ernst & Young, Hyundai Motor Ukraine [19].

A global initiative that allows companies to ensure compliance of their activities and strategy with ten general principles in the field of human rights, labour relations, environmental protection, and combating corruption is the UN Global Compact (UN GC) [17]. The UN Global Compact is a voluntary initiative that is the largest in terms of the number of countries (more than 200) and the number of companies (more than 6000). It unites companies, UN agencies, business associations, non-governmental organisations, academic institutions, and non-governmental organisations into a single global forum for sustainable development through responsible and innovative corporate leadership [18; 19].

The ten principles of the UN GC are focused on implementing responsible business practices in the areas of human rights, labour standards, environmental responsibility, and the fight against corruption [17]. The 6GC network in Ukraine was recognised as one of the three most active GC networks in the world in 2009 and received an award for its contribution to the development and distribution of UN GC initiatives [17]. Since the date of the official presentation of the UN GC in Ukraine (April 26, 2004), the number of signatory companies has increased to 200 (2014) [2]. On average, 23 companies operating in Ukraine joined it every year. Considering that as of April 1, 2019, 1.312.302 subjects of the unified state educational standard are registered in Ukraine, even officially 245 socially responsible companies are a tiny share because they make up only about 0.018% of all enterprises in Ukraine, so one should not exaggerate the success and achievements of CSR development in Ukraine [19; 20].

Analysis of the composition of participants in the UN GC by type of organisation and field of activity also allows determining the specific features of corporate social responsibility. Apparently, as of April 2019, almost half (42.3%) of those who joined the UN GC are non-governmental organisations (international and local), 9.5% are public sector organisations. Therewith, among the parties to the Compact, only one in seven (14.3%) is a large company. There are exactly the same number of small and medium-sized businesses. In addition, 16 business associations (8.5% of the population) and 21 other organisations (11.1% of the population), which are scientific and educational institutions, funds, and trade unions, take part in the UN GC (Fig. 1) [1; 16; 17; 20].

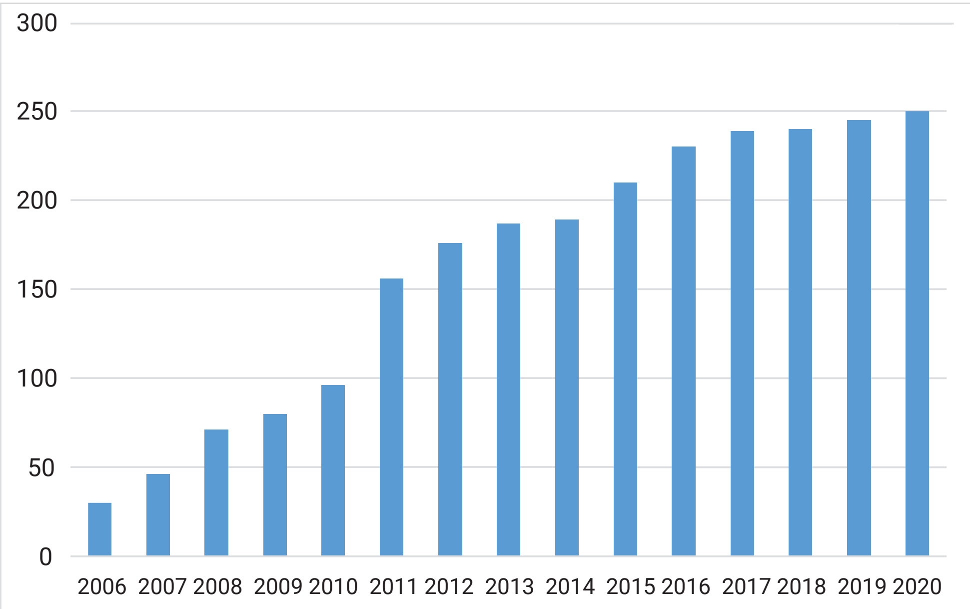

Figure 1. Dynamics of UN GC member enterprises in Ukraine from 2016 to March 1, 2020
Source: formed based on [1; 16; 19]

Thus, evidently, among those organisations that demonstrate commitment to international principles of social responsibility, large, medium and small companies make up a minority, namely 28.6% of the population. However, it should be considered that the number of companies that practice CSR is not a constant value. In particular, according to the community "Socially responsible business", at least 135 Ukrainian enterprises and firms take measures related to social responsibility [20]. In practice, a company's formal commitment to the UN Global Compact does not always determine its intentions to act accordingly.

The need to develop organisations and enterprises within the framework of the sustainable development paradigm makes it advisable to introduce an additional module to the CIS at enterprises, which allows providing information to personnel on the provisions of the concept of sustainable development; improve the skills of personnel; evaluate personnel on the use of such knowledge in work. The functioning of such a module in the structure of CIS will help to improve the functioning of management links at all levels. The modern management paradigm is formed based on the concept of sustainable development and integrated informatisation of management processes [2].

Accordingly, CIS and interorganisational information systems (IOIS) have become widespread in the business world. CIS is an information system designed for complex automation of all types of economic activities of enterprises, in particular, corporations consisting of a group of companies that require unified management [14]. CIS, which are in fact "a business process management system of an enterprise that supports functioning of divisions, providing distributed processing of information flows throughout the entire technological link of management procedures" [12] are a tool for promoting the values of sustainable development of comprehensive informatisation of management processes. According to R. Litnarovich, the structure of the CIS functionally reproduces the organisational structure of the enterprise embedded in information and telecommunications networks [14]. According to the simplified structure, CIS can be divided according to its functional purpose for management and according to its instrumental purpose – for specialists and technical workers.

The problems of CSR can also be considered as a component of the sustainable development. The goal of a business, admittedly, is to increase profits and revenue of a company. At the same time, CSR should be shown through following the principles of sustainable development and can enable the company to create its own image both in the consumer and in the labour market [21]. The manifestation of social responsibility of managers in this case will manifest itself through investing in the restructuring of CIS by implementing the foundations of sustainable development. In the restructuring of CIS based on sustainable development and through their modernisation, the social responsibility of the head and the organisation in general is realised because such investment creates the basis on which it is possible to integrate the ideas of sustainable development into the life of the organisation in general and its personnel in particular [1; 2].

Modern managers' understanding of the essence of the concept of sustainable development determines the level of their responsibility to society, organisation and team in several aspects, namely environmental, economic, social, and in the aspect of developing the information model of the investment component in management activities. Promoting the values of the concept of sustainable development on corporate information system platforms can broadcast the corporate mission, goals, and values of the organisation, continuously reminding managers, specialists, and technical performers of corporate unity in fulfilling their professional duty to save resources.

Conclusions

The study of CSR in Ukraine identified considerable differences in the understanding of CSR among entrepreneurs. The scale and financial situation of enterprises also affected the perception of the essence of CSR. The considerable fragmentation in citizens' understanding of the essence of CSR confirms that today CSR has not yet become a strategic concept for enterprise development. In many ways, it is hindered by an imperfect legislative framework regarding the motivation to make voluntary social investments. Ukrainian laws are exclusively compulsory and declarative in character. This leads to the fact that relations between business and government continue to be regulated by informal rules, so it is necessary to move along the path of formalising the rules of business interaction in the field of social responsibility.

The main ideas of sustainable development are based on three areas, namely environmental, social, and economic. Management activities that will be improved in these three areas should bring positive results in optimising the management systems of Ukrainian enterprises and create a systematic socio-economic effect in preserving the environment for future generations. The authors propose integration of the module with additional functions into CIS. The purpose of such a module will be to disseminate the core values of the concept of sustainable development, to provide an understanding of how it is appropriate to use the main provisions of sustainable development in everyday life and work. The sustainable development module in CIS will be able to cover such functional tasks as training and testing of personnel; providing information to the manager. A manager, as a professional who uses a system approach to make managerial decisions, needs to obtain clear information on which his decisions can be based. An additional module in CIS will allow managers to make more favourable decisions for the development of humanity in general.

Restructuring of CIS at modern Ukrainian enterprises as a process that places direct emphasis on the concept of sustainable development, indicates the social responsibility of the managers of such an enterprise, therefore, indicates their desire to improve the economic, social, and environmental situation in the country and the world in general.

References

[1] Gaiduchenko, Y.O., & Riadynska, I.A. (2015). Corporate social responsibility in the Ukrainian business environment. *Collection of Scientific Works of Skovoroda Kharkiv National Pedagogical University. Economy*, 15, 177-187.

[2] Dubivka, A.Yu., & Voitko, S.V. (2015). Ideas of sustainable development in the restructuring of corporate information systems in enterprises. *Public Administration*, 1, 81-95.

[3] Bowen, H.R. (1953). *Social responsibilities of the businessman*. New York: Harper and Row.

[4] Fridman, M. (2017). *Capitalism and freedom*. Kyiv: Nash Format.

[5] Petrunin, Yu.Yu., & Borisov, V.K. (2000). *Business ethics*. Moscow: Delo.

[6] Kirichenko, O.Yu., & Kutsenko, V.Y. (2015). Social responsibility in business. *Bulletin of Donetsk National University*, 1, 153-156.

[7] Yanitskyi, P.S., & Fursa, M.V. (2003) Factors of formation of social responsibility of business. In *Development of management education in Ukraine: materials of the V scientific conference with international participation* (pp. 269-274). Kyiv.

[8] Dmitriev-Zvrudenko, V.V. (2012). Social responsibility of business structures in the labor market of Ukraine. *Ekonomika ta Derzhava*, 6, 48-50.
[9] Murashko, M.I. (2009). Conceptual bases of social responsibility of business in Ukraine. *Demography and Social Economy*, 2, 114-122.
[10] Kolot, A.M. (Ed.). (2012). *Social responsibility: Theory and practice of development.* Kyiv: KNEU.
[11] Vorobei, V. (2010). *Analysis of national CSR strategies. Proposals for the national CSR development strategy*. Retrieved from https://www.ppv.net.ua/uploads/work_attachments/Analysis_of_National_CSR_Strategies__UA_.pdf.
[12] Petrashko, L. (2011). Corporate social responsibility in Ukrainian business practice. *International Economic Policy*, 1-2, 115-141.
[13] Lebedev, I. (2013). Ensuring sustainable development on the basis of corporate social responsibility. *Actual Problems of Economics*, 1, 106-116.
[14] Litnarovich, R.M. (2012). *Platforms of corporate information systems*. Rivne: MEGU.
[15] Berezina, O. (2010). Modern models of corporate social responsibility. *Economic Scope*, 41, 194-202.
[16] Official website of the Permanent mission of Ukraine to the United Nations. (n.d.). Retrieved from https://ukraineun.org/.
[17] Official website of the United nations global compact. (n.d.). Retrieved from https://www.unglobalcompact.org/what-is-gc/participants.
[18] Lingur, L.M., & Yesina, O.G. (2013). Business information security software products. *Economics: Time Realities*, 5(10), 175-180.
[19] Vorobei, V., & Zhurovska, I. (n.d.). *Social responsibility of business. Ukrainian realities and prospects.* Retrieved from http://svb.ua/sites/default/files/Analitichniy_Material_do_Sluhan_FINAL.pdf.
[20] Law of Ukraine No. 2017-III "On State Social Standards and State Social Guarantees". (2000, October). Retrieved from https://zakon.rada.gov.ua/laws/show/2017-14#Text.
[21] Bobko, L.O., & Maziar, A.V. (2019). Problems of corporate social responsibility of business in Ukraine. *Efektyvna Ekonomika*, 5. doi: 10.32702/2307-2105-2019.5.37.

Список використаних джерел

[1] Гайдученко Ю.О., Рядинська І.А. Корпоративна соціальна відповідальність в українському бізнес-середовищі. *Збірник наукових праць Харківського національного педагогічного університету імені Г.С. Сковороди. Економіка.* 2015. Вип. 15. С. 177–187.
[2] Дубівка А.Ю., Войтко С.В. Ідеї сталого розвитку в реструктуризації корпоративних інформаційних систем на підприємствах. *Публічне управління та адміністрування*. 2015. № 1. С. 81–95.
[3] Bowen H.R. *Social responsibilities of the businessman*. New York: Harper and Row, 1953. 276 p.
[4] Фрідман М. Капіталізм і свобода. Київ: Наш Формат, 2017. 216 с.
[5] Петрунин Ю.Ю., Борисов В.К. Этика бизнеса: учеб. пособие. Москва: Дело, 2000. 280 с.
[6] Кіріченко О.Ю., Куценко В.Й. Соціальна відповідальність у підприємництві. *Вісник Донецького національного університету*. 2015. Вип. 1. С. 153–156.
[7] Яницький П.С., Фурса М.В. Фактори формування соціальної відповідальності бізнесу. *Розбудова менеджмент-освіти в Україні*: матеріали V щорічної конф. з міжнар. участю (м. Київ, 2003 р.). Київ, 2003. С. 269–274.
[8] Дмитрієв-Звруденко В.В. Соціальна відповідальність бізнес структур на ринку праці України. *Економіка та держава*. 2012. № 6. С. 48–50.
[9] Мурашко М.І. Концептуальні основи соціальної відповідальності бізнесу в Україні. *Демографія та соціальна економіка*. 2009. № 2. С. 114–122.
[10] Соціальна відповідальність: теорія і практика розвитку: монографія / А.М. Колот та ін.; за ред. А.М. Колот. Київ: КНЕУ, 2012. 501 с.
[11] Воробей В. Аналіз національних стратегій СВБ. Пропозиції для Національної стратегії розвитку СВБ. URL: https://www.ppv.net.ua/uploads/work_attachments/Analysis_of_National_CSR_Strategies__UA_.pdf (дата звернення: 25.02.2020).
[12] Петрашко Л. Корпоративна соціальна відповідальність в українській бізнес-практиці. *Міжнародна економічна політика*. 2011. Вип. 1–2. С. 115–141.
[13] Лебедєв І. Забезпечення сталого розвитку на засадах корпоративної соціальної відповідальності. *Актуальні проблеми економіки*. 2013. № 1. С. 106–116.
[14] Літнарович Р.М. Платформи корпоративних інформаційних систем. Рівне: МЕГУ, 2012. 130 с.
[15] Березіна О. Сучасні моделі корпоративної соціальної відповідальності. *Економічний простір*. 2010. № 41. С. 194–202.
[16] Офіційний сайт Постійне представництво України при ООН. URL: https://ukraineun.org/ (дата звернення: 26.02.2020).
[17] Офіційний сайт United Nations Global Compact. URL: https://www.unglobalcompact.org/what-is-gc/participants (дата звернення: 26.02.2020).

[18] Лінгур Л.М., Єсіна О.Г. Програмні продукти інформаційної безпеки бізнесу. *Економіка: реалії часу*. 2013. № 5(10). С. 175–180.

[19] Воробей В., Журовська І. Соціальна відповідальність бізнесу. Українські реалії та перспективи. URL: http://svb.ua/sites/default/files/Analitichniy_Material_do_Sluhan_FINAL.pdf (дата звернення: 25.02.2020).

[20] Про державні соціальні стандарти та державні соціальні гарантії: Закон України від 05.10.2000 р. № 2017-ІІІ. URL: https://zakon.rada.gov.ua/laws/show/2017-14#Text (дата звернення: 25.02.2020).

[21] Бобко Л.О., Мазяр А.В. Проблеми корпоративної соціальної відповідальності бізнесу в Україні. *Ефективна економіка*. 2019. № 5. doi: 10.32702/2307-2105-2019.5.37.

Формування соціальних стандартів бізнесу в контексті реструктуризації корпоративних інформаційних систем

Зінаїда Петрівна Урусова, Валерія Ігорівна Зубачова

Запорізький національний університет
69600, вул. Жуковського, 66, м. Запоріжжя, Україна

Анотація. Актуальність теми дослідження обумовлена проблемами інформатизації управлінців, більш ефективного та безпечного розвитку бізнесу, соціального захисту робітників. Метою статті є дослідження корпоративної соціальної відповідальності як складової національного бізнесу, визначення перспективних напрямів її розвитку в Україні, дослідження перспективи використання основ сталого розвитку на підприємствах засобами реструктуризації корпоративних інформаційних систем. Методика дослідження: використання статистичних даних для аналізу складу учасників Глобального договору ООН за типом організації та сферою діяльності, визначення особливостей соціальної відповідальності бізнесу. Проаналізовано основні проблеми соціальної відповідальності бізнесу в Україні. Визначено динаміку підприємств – учасників Генеральної Угоди ООН в Україні з 2016 р., які приєднались для впровадження соціальних стандартів відповідальності. У статті було систематизовано підходи та напрями розвитку соціальної корпоративної відповідальності як сприяння сталому економічному розвитку. Виявлено, що впровадження основних положень концепції сталого розвитку можливе за допомогою використання додаткового модулю до корпоративних інформаційних систем з інформацією про основні положення концепції сталого розвитку. Основними проблемами було визначено механізми практичного заохочення соціальної відповідальності бізнесу; брак фінансів для участі у соціальному інвестуванні; низький рівень правової свідомості бізнесу; закритість компаній для широкої громадськості; недовіра до співпраці; неправильне інформування про соціальну відповідальність бізнесу в Україні; перспективи розвитку соціальної відповідальності бізнесу в Україні. Визначено, що модуль сталого розвитку в корпоративних інформаційних системах зможе охоплює такі функціональні задачі, як навчання й тестування персоналу; надання інформації управлінцю

Ключові слова: соціальна відповідальність бізнесу, соціально відповідальний бізнес, сталий розвиток, партнерство, корпоративні інформаційні системи, реструктуризація