## МІНІСТЕРСТВО ОХОРОНИ ЗДОРОВ'Я УКРАЇНИ Харківський національний медичний університет

## ПРОБЛЕМА ЛЮДИНИ У СОЦІАЛЬНО-ГУМАНІТАРНОМУ ТА МЕДИЧНОМУ ДИСКУРСАХ

Матеріали міжвузівської науково-практичної конференції з міжнародною участю

29 березня 2018 року м. Харків

> Харків ХНМУ 2018

## SOME SPECIFIC ISSUES OF POLITICAL, CULTURAL AND LEGAL PROBLEMS OF RELEVANCE OF POLITICAL PARTIES IN THE CULTURE OF CORPORATE SOCIAL RESPONSIBILITY IN UKRAINE

The study of the issue of the participation of political parties in the establishment and development of the corporate social responsibility corporate culture (here in after: CSR) in Ukraine began relatively recently, due to the fact that the foundation of CSR in our country took place only in 2005–2006. It is difficult to overestimate its importance for the country's progress in the direction of democracy. The level of development of socially responsible business, emphasized the candidate of economics, associate professor of the Ukrainian Engineering and Pedagogical Academy (Kharkiv) O.S. Parkhomenko, is one of the main factors of the welfare of society [5].

The problem of the participation of political parties in the formation of the CSR culture in the English and German-language literature of Austria, Germany, Switzerland and the United States, which the authors had the opportunity to see, has been studied for quite a long time. The number of monographs and articles is measured by hundreds. Scientists of our country have also started to study it. Some aspects of the participation of political parties in shaping the culture of CSR in Ukraine to some extent are considered in the candidate's theses Gritsina L.A., Il'nitsky Ya.V. and Lasukova A.S, monographs on the scientific edition of Kolot A.M. and Horyuzhii G.F, as well as about fifty articles.

Proceeding from the significance of the presented problem, the authors attempted to investigate its relevance in political, cultural and legal aspects. Political: the effectiveness of the activities of political parties, both parliamentary and non-parliamentary, is an expression of the level of maturity of the culture of democracy, including the party, which, in turn, reflects the degree of development of civil society, including, above all, the business environment - carriers of CSR culture. Its level is largely conditioned by the readiness and ability of entrepreneurs and other elements of civil society to defend their rights, that is, to defend the values, principles and norms of the Constitution of Ukraine, as well as to create appropriate conditions for social support of vulnerable groups of the population. The result of such a struggle is the formation of a democratic mechanism for the interaction of civil society and political parties, as evidenced by the research done by the professor at the University of Vienna Eva Maltschning and private assistant professor at the Free University of Berlin, a research fellow at the Berlin Center for Social Studies, Bernhard We?els¹, the

<sup>&</sup>lt;sup>1</sup> Bernhard We?els is specializes in today's issues of corporate policy theory, according to which, in the context of the problem under investigation, political parties are considered as political institutions that must integrate the distinct group freedom of the various associations that find expression in the process of adoption. political decisions (8, 9). The practice of democracy in countries such as Austria, Germany, Switzerland proves the vitality of this theory, which is reflected in the enhanced role of civil society as an interested party in corporate policy (24, 25, 30).

elements of which are, on the one hand, the nomination of representatives of the civil society of the party members – the representatives of his interests, both in parliament and in the government, and on the other – pressure the business environment and other elements of civil society, together with the parliamentary opposition<sup>2</sup> to the majority, in the supreme legislative body of the country, as well as the government formed by it, if the party factions - its members do not implement their programs and do not fulfill the election promises [20, 28, 29]. In November 2013, the German society of sociologists within the framework of the Shader Foundation held another international seminar on "What corporate responsibility is needed for our company in the future?". Among the many issues raised there was the problem of the participation of political parties in the widespread practice of CSR. In his speech, Professor of Organizational Psychology and Organizational Development at the University of Duisburg-Essen, Wolfgang Stark, said that party politics put the issue of CSR on the agenda and shortens the distance from the idea to its implementation in everyday practice [27].

The second aspect is cultural. In the Ukrainian-language, English-language and German-language literature there is a set of semantic concepts category culture. So, in the Ukrainian language - the word "culture" in the broad sense is called everything that is made by a person. In this approach, culture is understood as a person created by the "second nature", which includes the results of the material and spiritual. In the narrow – a system of collectively distinguishing values and norms of behavior inherent in a separate group of people. Culture is formed as an important mechanism of human interaction that helps people to live in their environment [6]. Domestic scientists came close to addressing the culture of CSR. In this connection it is worth paying attention to the work of A. Grinenko and M. Vishchenova, in which the authors, having analyzed the vision of corporate culture by other scholars, offered their own position on it: corporate culture, they wrote, a peculiar system that includes external factors of company identification, the organization of business processes, values, beliefs, and traditions, aimed at achieving the organization's strategic goals, taking into account the needs and value orientations of employees and customer needs [2]. And associate professor D. Lifintsev emphasizes that CSR is an integral part of corporate culture, its values form the image of the organization [3] and, accordingly, determine the level and directions of its activities.

In English, culture is very important for society, because, on the one hand, it is formed with it and on the other, it serves as the basis for the development of this society [15]. At the same time, culture reflects the internal activity of society, it helps to identify social situations, so that people understand how to behave on the basis of cultural norms and values of a given society [17]. Many publications

<sup>&</sup>lt;sup>2</sup> One of the authors of the submitted material has already written that the experience of the development of parliamentary democracy in the world has shown that the strength of civil society increases if it acts together with the parliamentary opposition and vice versa (4, p.212), which in turn is possible in the countries with a high level of democracy culture.

point out that culture has an elemental composition: beliefs, values, norms, language, roles and social groups<sup>3</sup> [16]. Quite a lot of attention is paid to the study of the problems of the culture of CSR. For example, the co-founder of The Entrepreneurial Mind, a global entrepreneur organization, Professor Jeff Conwall, wrote that entrepreneurial culture is based on the idea that every person can become a powerful force in the company's positive changes so that it meets the expectations of consumers as much as possible and clients. To do this, he continued, to support the professional development of their employees, celebrate their exceptional work and do not forget to enjoy<sup>4</sup> [10]. A large number of authors, analyzing the spread of CSR practices, consider it through the prism of the interaction of different actors of political and legal and socio-economic relations (Stakeholders) who have different interests and different goals, but participate in joint projects as systems. Agree to them, that is, to reconcile heterogeneous interests, besides reliability and stability, as the properties of elastic systems [9], helps corporate culture, including the culture of CSR. Professor of Dartmouth College<sup>5</sup> and Copenhagen Business School, John Campbell, said that Stewart's theory and practice is so related to CSR, how interested parties determine the proper corporate behavior of the company in Vis-?-vis<sup>6</sup> [8] . That is, the theory and practice of stakeholders (stakeholders) determines that the purpose of the business, including the dissemination of CSR practices, involves creating the most beneficial conditions for all its participants. In order to succeed and to be sustainable over a long period of time, managers must maximally take into account the interests of clients, suppliers, employees, partnerships and shareholders [14], in other words, John L. Campbell emphasized, to have a high level of corporate culture in general including, - CSR cultures [8]. It is no accident that since 2003, business schools in Western Europe and the United States have included corporate business ethics in their curricula, an important part of which is the theory and practice of CSR [8].

In German, culture in the broadest sense covers all spiritual and material forms and expressions of life in which people create their own environment. Since culture, emphasized by Professor G.J. Meyer (Hans Joachim Meyer), plays an important role in the development of society, shapes both individual and social

<sup>&</sup>lt;sup>3</sup> Under the influence of its norms and values, the social group (family, school class, student group, sports team, labor collective, etc.) is influenced by the socialization of the individual, its social orientation and activity are formed, and conditions for self-socialization and self-actualization are created (13).

<sup>&</sup>lt;sup>4</sup> The satisfaction of the workforce depends to a large extent on the atmosphere existing in it, that is, the nature of the relationship between its members, which, in turn, is determined by the level of the culture of relationships. A well-known facilitator, human resource expert S. Hatfield (SusanHeathfield, CornellUniversity, USA) wrote that the culture of employee behavior in the workforce is valued at the same level as its professionalism. The culture of relationships in the work team, it continues, is a powerful element that shapes our creative pleasure, resulting in high productivity (12, 15).

<sup>&</sup>lt;sup>5</sup> Dartmouth College is one of the oldest US universities (founded in 1769 in Hanover, New Hampshire), which is part of the elite Green Ivy League. Its structure includes a well-known business school. Among its disciplines, the graduation program of corporate culture (11) occupies a significant place.

<sup>&</sup>lt;sup>6</sup> This implies looking for points of contact with other parties in CSR projects that may be of interest to them and thus become common.

consciousness, it becomes a seismographer of the corresponding social situation. In this regard, he continued, the main tasks of the German cultural policy are the definition of goals, the provision of adequate financial resources for the formation of favorable social conditions for the self-development of man. However, the professor pointed out that an increasingly important role in the development and implementation of cultural policy in Germany should be played by civil society, which is due to its increasing importance in democratic processes [22]. The value of the CSR culture in this literature, as well as in the business practice of Germany, is assessed as a completely natural phenomenon. Thus, representatives of Kolk Annexagefabriek state that CSR is an integral part of the corporate culture, the development of which creates conditions for the organization's survival, employment and welfare of employees, meeting the needs of consumers, and expanding their circle [26]. A rather large study of the culture of CSR was conducted by professor of the Department of Economic and Organizational Psychology at Mannheim University K.M?ller (KarstenM?ller). Based on the results of a quantitative study, he concluded that the importance of CSR in society is steadily increasing, as shown by the relative indicator: 1990 – 20%, 2000 – 18%, 2006 - 26%, 2004 - 36%, 2008 - 40 %, 2010 - 41%. Interestingly, it is calculated by the growing appreciation of CSR by the civil society of the relative importance of CSR in the relative indicator: 1971 - 0%, 1980 - 5%, 1988 - 18%, 1997 - 32%, 2001 - 35%, 2002 - 50% [23].

The third aspect is legal. It is especially relevant for our state, where the traditions of a social market economy are just beginning. In this regard, one can not but notice that Article 13 of the Constitution of Ukraine, which was adopted in 1996, enshrined the duty of the state to ensure the social orientation of the economy. In line with the problem under consideration, one could imagine that after the signing of the UN Global Compact on April 25, 2006, when the CSR development was formally launched in Ukraine, the Verkhovna Rada of Ukraine together with the Cabinet of Ministers should prepare a law-making program on CSR development. It is clear that this should have been done, first and foremost, by the party factions of the parliamentary majority. But the opposition factions of the Ukrainian parliament, not to mention the entrepreneurial environment, as the core of the civil society of Ukraine, which was then only born, did not recall this. The head of the department of economics at the National Mining University, Doctor of Economics, Professor V.M. Shapoval wrote that in Ukraine, among other things, there is no economic interest of domestic enterprises (companies) in implementing the principles of CSR, which is related, first of all, to the nature of the current legislation and the role of the state [7]. In the work of candidates of economic sciences, associate professors of the Nikolaev National Agrarian University A. Burkovskaya and T. Lunkina, in addition to international legal documents and international standards on CSR, the specified legislative acts of Ukraine, which directly or indirectly regulate its separate parties. Among them: the Laws of Ukraine "On the Principles of Prevention and Counteraction of Corruption" (07.04.11), "On Protection from Unfair Competition" (07.06.94), "On State Procurement" (10.04.14), "On Natural Monopolies" (April 20, 2000), "On Protection of Consumer Rights" (May 12, 1991), "On Protection of Public Morality" (20.11.2003) and others, only 33 [1].

At the same time, the analysis of the current legislation shows that Ukraine has not adopted yet normative legal acts that would be specifically devoted to the promotion of CSR. The reasons for such a state of Ukrainian legislation, which to some extent lag behind the needs of social development, were attempted by German researchers from the University of Regensburg, Dr. Jerzy Mackow, the chairman of the University of Comparative Policy and Ingmar Bredies<sup>7</sup>. In April 2015, the Federal Ministry of Labor and Social Affairs of the Federal Republic of Germany prepared a paper entitled "Green Book of Labor 4.0", which outlines the main trends and values of the future labor society, among which CSR plays an important role [18, 19]. It clearly states that the implementation of CSR practice can not be considered as a consequence of replacing the existing social legislation with social and environmental standards. And further, as a call to governments, especially those countries where such legislation has not been developed, the need for the creation of appropriate legislative acts, which would open the way for the spread of CSR practices [32], was emphasized. The document also notes that only half of the average indicator of the effectiveness of socially responsible companies is achieved through CSR, the second half is the result of the efficiency of this economic sector and the economy in general [18].

Thus, the problem of the participation of political parties in the development of corporate social responsibility in Ukraine is very relevant and requires a thorough study. Authors and colleagues from 01.01.2016 to 31.08.2017 in 18 cities of Ukraine (13 of them are regional centers) through a questionnaire conducted a quantitative study using the sociological method. A total of 1086 business people were interviewed. Results are processed. The first of the planned articles has already seen the world.

## Literature:

- 1. Burkovskaya A., Lunchina T. On the need to improve the legal regulation of corporate social responsibility in Ukraine / A. Burkovskaya, T. Lunkina // [Electronic resource]. 2016. Mode of access: http://elartu.tntu.edu. ua
- 2. Grinenko A., Ischanova M. Corporate Culture of a Socially Responsible Bank / A.Grinenko, M.Ischanova // [Electronic resource] 2015. Mode of access: file: /// C: / Users / Sergey / Downloads / Uap 2015 2 4 .pdf;

<sup>7</sup> According to scientists, democratic transformations in Ukraine, unlike Western European countries, began without their core - the bourgeoisie and civil society (21), which resulted in the fact that political parties, as a necessary tool of democracy, were weak and to some extent not expressed their interests, despite the fact that the status of political parties has been consolidated in the Constitution of Ukraine and the relevant Law of our state.

- 3. Lifintsev DS Corporate social responsibility as a component of the organization's culture: economic value / D.S. Lifintsev // [Electronic resource]. 2013.- Mode of access: file: /// C: / Users / Sergey / Downloads / efek 2013 11 60.pdf.
- 4. Lukash S. Yu. On the Problem of Party Culture in Ukraine: Understanding, State, Prospects for Development / S.Yu.Lukash // The Bulletin of Kharkiv National University named after VN Karazin. Series "Law". X.: KhNU named after VN Karazin, Faculty of Law, 2016. Vip.21. C. 209–231.
- 5. Parkhomenko O.S. Factors and directions of development of the policy of corporate social responsibility of Ukrainian companies / O.S.Parkhomenko // [Electronic resource]. 10.05.14. Mode of access: http://www.m.nayka.com.ua/?op=1&j=efektyvna-eknomika&s=ua&z=3003.
- 6. The role of culture in the system of society // [Electronic resource]. 28.11.17. Access mode: http://osvita.ua/vnz/reports/culture / 11982 /.
- 7. Shapoval V.M. Development of Corporate Social Responsibility in Ukraine and the Need for Its State Support / V.M. Shapoval // [Electronic resource]. Mode of access: http://gisap.eu/en/node/241.
- 8. CampbellJ. Why Would Corporations Behave in Socially Responsible Ways? An Institutional Theory of Corporate Social Responsibility / J.Campbell// 2007. [Electronic resource].
- 9. Concepts and Principles // [Electronic resource]. 2010. Access mode: https://systemic-insight.com/concepts-principles/.
- 10. CornwallJ. Building an Entrepreneurial Culture / J.Cornwall // [Electronic resource]. 01.08.11. Access mode; http://www.businessinsider.com/building-an-entrepreneurial-culture-2011-8.
- 11. Dartmouth College, Hanover, Overview // [Electronic resource]. 2017. Режим доступу: https://www.usnews.com/best-colleges/dartmouth-college-2573;
- 12. Heathfield S. Culture: Your Environment for People at Work. What Is Organizational Culture? /S.Heathfield // [Electronic resource]. 12.10.16. Access mode: https://www.thebalance.com/culture-your-environment-for-people-at-work-1918809.
- 13. Long-Crowell E. Types of Social Groups Primary, Secondary and Reference Groups // [Electronic resource]. 2017. Access mode: https://study.com/academy/lesson/types-of-social-groups-primary-secondary-and-reference-groups.html.
- 14. StakeholderTheory// [Electronic resource]. 18.08.16. Режим доступу: http://www.stakeholdermap.com/stakeholder-theory.html.
- 15. SusanM. Heathfield // [Electronic resource]. 2017.
- 16. What are the six basic elements of culture? // [Electronic resource]. 2017. Access mode:https://www.reference.com/world-view/six-basic-elements-culture-103d8338364d19fb?qo=contentSimilarQuestions.
- 17. Why is culture so important to society? // [Electronic resource]. 2017. Access mode:https://www.reference.com/world-view/culture-important-society-2f69d99fe0698d43?qo=contentSimilarQuestions.

- 18. Die Bedeutung der sozialen Verantwortung von Unternehmen // [Electronic resource]. 2017.
- 19. Grnbuch Arbeiten 4.0 // [Electronic resource]. 22.04.15. Access mode: http://www.bmas.de/DE/Service/Medien/Publikationen/A872-gruenbuch-arbeiten-vier-null.html.
- 20. Maltschning E. Politische Parteien, Zivilgesellschaft und direkte Demokratie / E. Maltschning // [Electronic resource]. 2012.
- 21. Mackow J., Bredies I. Nationale Demokratiein der Ukraine / J.Mackow, I.Bredies// [Electronic resource]. 2011.
- 22. Meyer H.J. Kultur ist Seismograph der gesellschaftlichen Situation // [Electronic resource]. 02.04.1998.- Access mode:https://www.kmk.org/aktuelles/artikelansicht/kultur-ist-seismograph-der-gesellschaftlichen-situation.html.
- 23. Mller K. Gesellschaftliche Verantwortung von Unternehmenim Spannungsfeld von Individuum, Kulturund ?konomie/K.M?ller // [Electronic resource]. 10.11.12. Access mode: https://www.wb-aop.uni-wuppertal.de/fileadmin/wbaop/Alumni/Vortrag Prof M%C3%BCller-CSR.pdf.
- 24. Pelinka A. Demokratie: ?sterreich 1900 ?sterreich 2000 / A.Pelinka // [Electronic resource]. 1999. Access mode: http://www.demokratie-zentrum.org/ fileadmin/ media/pdf/pelinka.pdf.
- 25. Schmassmann E. Welche Rolle f?r Zivilgesellschaft / E.Schmassmann // (Електронний ресурс). Desember 2017.
- 26. Soziale Verantwortung Unternehmen // [Electronic resource]. 2017. Access mode: http://www.kolkbv.nl/de/uber-uns/soziale-verantwortung-der-unternehmen.
- 27. Stark W. Welche Werantwortung von Unternehmen braucht unsere Gesellschaft in Zukunft? / W. Stark // [Electronic resource]. 29.11.13. Access mode: https://www.schader-stiftung.de/themen/gemeinwohl-und-verantwortung/fokus/corporate-social-responsibility/artikel/welche-verantwortung-von-unternehmen-braucht-unsere-gesellschaft-in-zukunft/
- 28. Weels B.Dieentwicklung des Deutschen Korporatismus / B.We?els // [Electronic resource]. 26.05.2002. Access mode:http://www.bpb.de/apuz/25543/die-entwicklung-des-deutschen-korporatismus?p=all;
- 29. Weels B. OrganisierteInteressenund Rot-Grn: Temporre Beziehungsschwche oderz unehm ende Entkoppelungzwischen Verb?ndenund Parteien? / B.Weels// [Electronic resource]. 2007. Access mode:https://link.springer.com/chapter/10.1007/978-3-531-90302-6\_7;
- 30. Zimmer A. Die verschiedenen Dimensionen der Zivilgesellschaft / A.Zimmer // [Electronic resource]- 31.05.12.- Access mode: http://www.bpb.de/politik/grundfragen/deutsche-verhaeltnisse-eine-sozialkunde/138713/dimensionen