

Scientific Bulletin of Mukachevo State University

Series

Economics

Volume 11, No. 1, 103-113

Journal homepage: <https://economics-msu.com.ua/en>

UDC 331.1

Doi: 10.52566/msu-econ1.2024.103

Basic principles of corporate social responsibility management under martial law

Ihor Yatsiv*

Doctor of Economics, Professor
Lviv National Environmental University
80381, 1 Volodymyr Velykyi Str., Dubliany, Ukraine
<http://orcid.org/0000-0002-2370-6351>

Nataliia Pavlenchyk

Doctor of Economics, Professor
Ivan Boberskyi Lviv State University of Physical Culture
79007, 11 Kostyushko Str., Lviv, Ukraine
<https://orcid.org/0000-0001-6164-5644>

Anatolii Pavlenchyk

PhD in Economics, Associate Professor
Ivan Boberskyi Lviv State University of Physical Culture
79007, 11 Kostyushko Str., Lviv, Ukraine
<https://orcid.org/0000-0002-2205-1883>

Volodymyr Krupa

PhD in Economics, Associate Professor
Lviv National Environmental University
80381, 1 Volodymyr Velykyi Str., Dubliany, Ukraine
<https://orcid.org/0000-0001-8658-7735>

Svitlana Yatsiv

PhD in Economics, Associate Professor
Lviv National Environmental University
80381, 1 Volodymyr Velykyi Str., Dubliany, Ukraine
<https://orcid.org/0000-0002-5242-7845>

Received: 21.12.2023, Revised: 23.02.2024, Accepted: 27.03.2024

Suggested Citation: Yatsiv, I., Pavlenchyk, N., Pavlenchyk, A., Krupa, V., & Yatsiv, S. (2024). Basic principles of corporate social responsibility management under martial law. *Scientific Bulletin of Mukachevo State University. Series "Economics"*, 11(1), 103-113. doi: 10.52566/msu-econ1.2024.103.



Copyright © The Author(s). This is an open access article distributed under the terms of the Creative Commons Attribution License 4.0 (<https://creativecommons.org/licenses/by/4.0/>)

*Corresponding author

Abstract. Corporate social responsibility is an integral element of the modern business model, especially for large companies. Effective management of this process ensures a positive result for both society and the business itself. Therefore, the study aims to substantiate the theoretical foundations of the management process in the context of corporate social responsibility, considering the military conditions in which Ukrainian business operates. To achieve this goal, a systematic approach and methods of analysis, comparison, deduction, comparison, and decomposition were used. The study analyses current approaches to understanding the corporate social responsibility of business. The main vectors in which the corporate social responsibility of enterprises is implemented are allocated. An author's interpretation of the concept of corporate social responsibility management was formed. The basic principles of implementation of the communication policy for both the internal audience (company employees) and external stakeholders (partners, customers, society, the state) are formed and argued. The features and main directions of implementation of corporate social responsibility initiatives of Ukrainian businesses in the context of war are studied and highlighted. It is established that the priority of corporate social responsibility of companies in Ukraine is to ensure business continuity (allowing to pay salaries and taxes), ensure the safety of personnel (arrangement of bomb shelters, relocation of employees and their families), support for defence capability (various assistance to the Armed Forces of Ukraine) and assistance to territorial communities. The results of the study can be used by the business environment to form a management mechanism for implementing corporate social responsibility initiatives, as well as by the academic community that studies this issue

Keywords: social values; entrepreneurship; society; organisational management; humanitarian aid; philanthropy

Introduction

By building a positive image through the implementation of projects that demonstrate corporate social responsibility, companies can build their reputation as socially conscious business entities, which allows them to maintain and increase their competitiveness while creating a positive impact on the environment and society, which is especially important in the context of an economy operating in crisis and war conditions. Businesses can influence social aspects by creating jobs, providing effective remuneration systems, and developing partnerships with the public, through the implementation of various humanitarian and educational programmes. Businesses need to understand their role in society and take active steps to improve their social impact. This creates a relationship between enterprises, society, and the state as a whole, contributing to economic and social development (Marco-Lajara *et al.*, 2020; Velte, 2022). Therefore, ensuring the functioning of an effective mechanism aimed at managing these processes is an extremely important and urgent task for business, especially for Ukrainian enterprises that are currently operating in the wartime conditions paradigm.

D. Bukreieva & K. Denysenko (2022) studied the issue of social responsibility of entrepreneurship as a factor that contributes to the development of business activity identifying the key forms of social responsibility within the corporate component and determining its impact on the performance of enterprises. A comparative analysis of the tools for supporting social responsibility used in our country and the European Union states was conducted, which created specific ways to enhance business activity by creating a favourable image of the company. H.P. Zhaldak & M.O. Chuprina (2021) studied the issues of corporate social responsibility (CSR) of business entities from the standpoint of managing reputational risks for business. The

authors determined that to obtain positive financial and economic results from the implementation of CSR-related activities in the long term, it is advisable to implement them in parallel with the development of the organisation's strategic management framework. Thus, this study attempts to combine the social responsibility of companies with the formation of the company's image and reputational risks of organisations.

The social responsibility of business entities and the peculiarities of their formation and implementation at different historical stages of Ukraine's development were highlighted by O. Vladymyr & N. Bazhanova (2022). The author S. Gahramanova (2023) analysed the content of the social responsibility of business and the role it plays in the development of the national economy, contributing to the solution of social problems at different stages of the formation of moral and ethical approaches to doing business in different countries of the world and Ukraine in particular. However, the process of managing such a phenomenon as corporate social responsibility is not considered by the authors of this study. The problem of optimisation of CSR management of business structures was considered by M. Nadeyko (2021). The author concludes that in the course of management, it is necessary to assess not only the costs of social investments, but also to determine the effectiveness of implemented projects, and the result of the impact of social responsibility management on the organisation should be determined by the average effectiveness of the implementation of a set of measures in various areas of CSR. It is also proved that the effect of social responsibility management will largely depend on the extent to which the company's management is inclined to take risks. I. Stoyko *et al.* (2022) substantiated the need to disseminate CSR approaches among the business community, and their

activation directly during the wartime period. They also partially emphasise the expediency for businesses to maintain a balance between ensuring financial and economic efficiency and implementing social and environmental projects, which is a fundamentally important element of ensuring the sustainable development of an organisation.

Despite the existing scientific developments in the field of corporate social responsibility of business entities, the issues of managing this aspect of activity are only partially covered and require more detailed study, especially in the context of the war economy. Therefore, the purpose of the study is to substantiate the principles and mechanisms for implementing the process of managing corporate social responsibility companies, considering the impact of war on the peculiarities of business functioning in Ukraine.

Materials and Methods

The information basis for the study was formed upon the scientific works of scientists from Ukraine, the United States of America, the United Kingdom, France, Germany, and Spain, who deal with the issues of corporate social responsibility of business and issues related to the management of this process. The analysis of the works of the scientific community was carried out to identify modern approaches and concepts to the interpretation of the concept of corporate social responsibility of business, to identify the main principles of implementation of the management process of this activity, and to distinguish its parameters and components. Critical reflection on the results of the analysis was used to form the authors' interpretation of the concept of corporate social responsibility management.

Deduction as a method of scientific knowledge, the principle of which involves the transition from the general to the specific in combination with abstraction, which was used to separate the most common and important features and characteristics from a certain set of signs and characteristics, was used to form key functional systems of corporate social responsibility management. The systemic approach, which involves a comprehensive study of large and complex processes and phenomena to examine them as a whole from the standpoint of harmonised, coordinated functioning, was applied to the study of the process of corporate social responsibility management of business entities. At the same time, decomposition, which provides for the division of an object (mechanism, system) into subsystems or lower-level elements that are studied separately, but with due regard for the coherence of tasks and goals of each of these subsystems-components with the overall goal of functioning of the process or mechanism as a whole, the four main functional components of corporate social responsibility management were analysed.

A comprehensive analysis of the "planning" subsystem was used to identify aspects that must be considered when planning corporate social responsibility initiatives. A comparison of approaches to ensuring and functioning of the

subsystem "organisation" was used to justify the need to integrate corporate social responsibility management into the company's main business processes. The analysis of control as a management process in the context of corporate social responsibility was used to identify specific mechanisms, methods and tools that enable companies to guarantee the effective implementation of their social and environmental initiatives following the developed strategies and plans. The method of concretisation, which involves the transition from the abstract to the concrete to highlight the functional links of the phenomenon or process under study, was used to substantiate the importance of the communication component of the corporate social responsibility management system in the context of ensuring the formation of a positive company image with its subsequent possible transformation into concrete economic benefits for the enterprise. The generalising approach was used to formulate the key principles of organising a communication system with both the internal audience and external stakeholders.

An assessment of the results of a sociological survey on the extent to which young people are aware of corporate social responsibility issues, how they consider this aspect when choosing a job, and what manifestations business CSR should have been carried out to substantiate the importance of managing this component of the business model of modern companies (How young people..., 2021). An assessment of the results of a survey of businesses in Ukraine on how they manifested their corporate social responsibility during the war made it possible to identify five main vectors of CSR implementation (Sustainability of Ukrainian..., 2023). Using comparison and statistical research methods, in particular structural analysis, which was used to calculate the share of an element in the total, the percentage of Ukrainian companies' participation in the implementation of their corporate social responsibility in the context of five key areas that turned out to be the most important in the context of the war in Ukraine was calculated.

Results

Corporate social responsibility, as noted by L. Moir (2001), is a business model that is capable of self-regulation and enables businesses to be socially responsible to themselves, stakeholders, society, and the state. D. Matten & J. Moon (2004) define corporate social responsibility as a concept that defines the interaction of an enterprise with society and nature, which goes beyond its main function of making a profit and note that it involves the company's active participation in solving social, environmental, and economic problems. A managerial approach to business activity, according to which a company should show interest and willingness to support society and the environment, as well as to be concerned about the impact of its products on people and nature while focusing on making a profit, was formed by A. Lindgreen & V. Swaen (2010)

concerning corporate social responsibility of companies. In general, corporate social responsibility management, similarly to other management processes, is carried out in the paradigm of functional management systems, such as planning, organisation, motivation, and control (Hohnen & Potts, 2007).

The process of corporate social responsibility management involves the implementation of measures aimed primarily at planning this component of business activities. This involves analysing the company's internal resources, competencies, and capabilities, as well as social and environmental challenges that affect the business and vice versa. At this stage, specific, preferably measurable goals are set to be achieved in the area of social responsibility, and accordingly, priority areas are identified where the company can have the greatest impact. The next step is to develop a social responsibility strategy that reflects the company's mission, values, and long-term goals in the form of specific initiatives and projects to implement the strategy. At the same time, it is crucial to ensure that various stakeholders (employees, customers, non-governmental organisations, investors, government authorities) are involved in the planning process, as this allows for the opinions and ideas of other parties to be incorporated into the social responsibility planning priorities. Identification of specific structural units and responsible persons for the implementation of social initiatives is an integral part of planning, as it involves the use of resources for project implementation, including financial, human, material, and technological resources. And, of course, at the planning stage, mechanisms for measuring the impact of social initiatives are developed and a monitoring and reporting system is formed to track progress in achieving corporate social responsibility goals.

The organisational component of the corporate social responsibility management process involves a clear division into two elements. These are corporate responsibility itself, which requires the formation of internal structures and divisions of the organisation to implement CSR strategies, division of responsibilities, ensuring internal understanding and support of social initiatives among employees, organisation of special training and seminars, and social responsibility, i.e. the creation of forms of interaction with public organisations, volunteers and other stakeholders that will use the results of social, environmental or other business initiatives. The implementation of initiatives and projects that demonstrate the company's corporate social responsibility requires their organic integration with the main business processes of the enterprise, and it is also necessary to ensure that CSR concepts are embedded in the organisational structure and are part of the corporate culture of the company's employees.

Control, as a management process in the context of corporate social responsibility, should include a system of mechanisms, methods and tools that help the company ensure the effective implementation of its social and environ-

mental obligations following the developed strategies and plans. Implementation of the CSR control system requires the calculation of key performance indicators that help to measure the impact of CSR initiatives and monitor the achievement of the set goals. In other words, it is necessary to regularly evaluate the impact of CSR projects, considering environmental, social, and economic aspects, based on which segments can be identified to improve and optimise the chosen strategies and approaches (Ahmad *et al.*, 2023). The internal control and monitoring system can be distinguished, which aims to monitor the compliance of internal processes and results with the goals of the company's CSR initiatives, as well as external audit, i.e. engagement of external experts for objective assessment of CSR activities. The external component of control is implemented through regular publication of reports, which should reflect the results and shortcomings, and clear and open communication with stakeholders on the results and prospects of development of projects related to corporate social responsibility. The motivational component of corporate social responsibility is determined by various factors that may be unique to each company, but in general, they may include creating a positive image among consumers, the public, authorities, and mostly local governments, as businesses usually implement projects with a social and environmental component directly where their main production facilities are located, except for large companies that operate at the national level.

A brand or a company that is actively engaged in CSR projects can position itself as more value-oriented and modern, which affects the behaviour of consumers who increasingly choose the goods and services of companies that demonstrate their social responsibility (Carroll, 2021). Furthermore, investors are increasingly considering social and environmental aspects when choosing investment targets, so CSR initiatives can be considered an indicator of a company's sustainability and long-term success. Thus, this may be one of the motives for implementing CSR projects. Moreover, socially responsible companies may be more attractive to qualified personnel, as potential and current employees may be more satisfied with their work if they feel that their values are aligned with the company's goals in this area and that their work also contributes to the development of society and the environment. This is especially true for the younger generation, which, according to a study conducted in Ukraine in 2021 with the support of UNICEF, knows what corporate social responsibility is (How young people..., 2021). In addition, a certain proportion of them identify business social responsibility as a key aspect when choosing a potential place of employment. In addition, almost half of the youth surveyed would like to join corporate volunteering, which is a sign of a high degree of awareness among young people of the importance of corporate social responsibility and thus should encourage businesses to conduct socially responsible business activities (Figs. 1, 2).

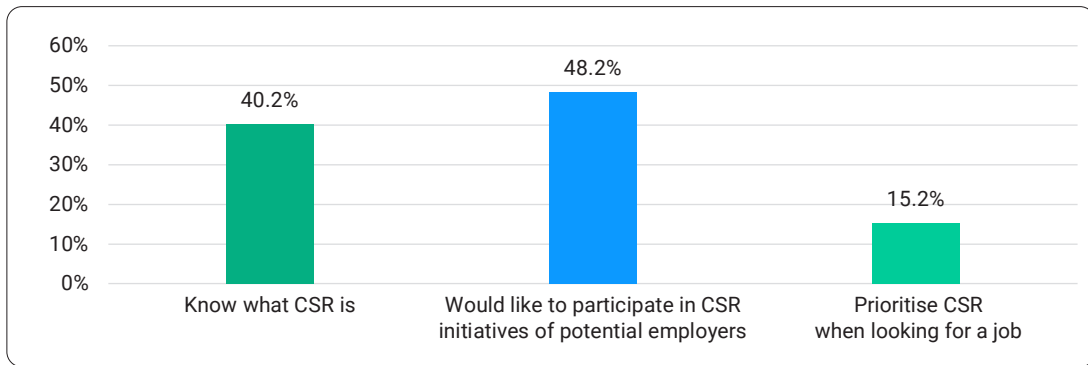


Figure 1. Awareness and importance of corporate social responsibility for young people when choosing a job in Ukraine
Source: compiled by the authors based on How young people respond to corporate social responsibility – Results of a national survey (2021)

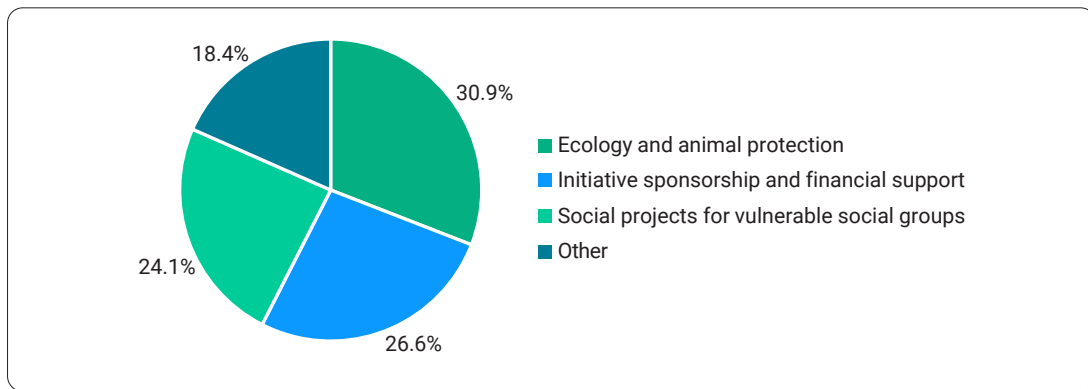


Figure 2. How a business should engage in CSR

Source: compiled by the authors based on How young people respond to corporate social responsibility – Results of a national survey (2021)

Despite the genuine desire to realise moral qualities through the provision of certain assistance, for the owners and management of enterprises, the main task and result of management activities is to make a profit, and the implementation of projects that demonstrate corporate and social responsibility is a tool that shapes the company's image, which can be transformed into specific economic benefits (Chakroun *et al.*, 2022). Therefore, in this context, the communication system of the management process plays a key role.

From a strategic perspective, the greatest effect can be achieved through projects whose ideas and values are harmonised with the objectives and values of business and society. Therefore, an important aspect of achieving goals that meet the values and expectations of specific categories of stakeholders through communication activities is to improve the company's reputation profile, which will help improve the reputational status of the business and help create positive value from cooperation and interaction with it. The communication system should be carefully planned and organised. The process of sharing information on CSR projects should be commensurate in scale with the amount of investment in social and environmental support.

Accordingly, the more CSR-related something is, the more frequently and intensively it should be communicated. Of course, it is necessary to consider the peculiarities of how business is perceived by various layers and audiences, which carries the corresponding possible reputational risks, so as not to turn the information message about socially important actions into a reputational crisis. The tools at the stage of communication planning are a step-by-step algorithm of actions and an information message that should clearly and understandably outline the stages of implementation and the main messages. The emphasis should be on what has already been done. The balance of messages should be 80% to 20%, with the largest share of information about the steps already taken and the smallest share about what is planned to be done.

Internal stakeholders, in particular employees who are actively involved in such projects, are essential for disseminating information about the company's CSR. This helps increase their motivation based on shared values with the company. Another focus is on reaching out to external audiences. The information exchange strategy should define to whom and how often it is advisable to communicate the

project results that form a positive background for CSR. As a rule, a considerable number of projects require establishing interaction and forming a permanent dialogue with state authorities, local authorities, and charitable organisations, so participation in conferences, round tables and other formats for solving social problems is important (Matala, 2022). A successful information campaign also requires the involvement of traditional media and involves funding media appearances or finding alternative formats of interaction with the media. The use of interviews and public speeches as an opportunity to promote CSR initiatives and incorporate them into the company's communication is a very important aspect. Depending on the scale of the project and the amount of support, it is advisable to create a separate information block on the organisation's website dedicated to social projects and assistance provided by the business.

As a result of the war, in 2022-2023, certain peculiarities of managing the areas of activity that determine the corporate social responsibility of companies operating in the Ukrainian market were formed. In 2023, CSR Ukraine (an expert association in Ukraine that covers more than forty large enterprises, together with which it has been working for more than 15 years to promote the principles of sustainable entrepreneurship and ensure the social responsibility of companies), together with the information and analytical portal The Page, surveyed national business (30 large companies in various fields), according to which 5 main components can be identified in the context of the factors of corporate social responsibility formation, which are most relevant in modern, wartime conditions these components include business continuity, which is the basis that determines the ability of companies to implement social projects and pay taxes (Sustainability of Ukrainian..., 2023). This component involves the development and approval of a strategic plan to ensure business continuity, its modification and adaptation to the realities of a full-scale invasion, taking into account the specifics of employees' work, modifying business processes and resource use, as well as paying taxes, including through advance payments, i.e. in advance. According to the survey, the vast majority of companies had developed and adapted business plans (Fig. 3).

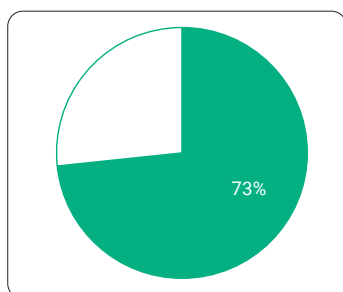


Figure 3. Share of companies that had a business continuity plan in place in 2023

Source: compiled by the authors based on Sustainability of Ukrainian business during the war: What the "CSR Index 2023" showed (2023)

It is worth noting that among the most common points of the strategy for ensuring stable business operations related to business processes is the formation of a structured, step-by-step procedure for employees to perform a specific task or solve a specific problem, a priority algorithm for restoring these business processes, ensuring the security of production and administrative buildings of enterprises, and data protection and storage, their transfer to cloud services or foreign servers, removal of the most valuable equipment to safer regions, ensuring uninterrupted access to the Internet (including the purchase of equipment for Starlink) and creation of an autonomous power supply system (Lopez *et al.*, 2022; Teymurova *et al.*, 2023). As for the advance payment of tax payments, almost half of the companies engaged in such actions (Fig. 4).

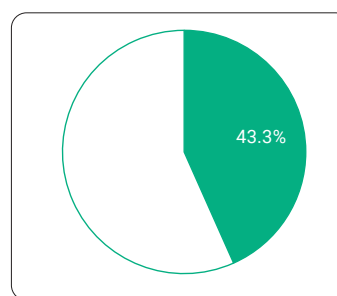


Figure 4. Share of companies that paid taxes in advance in 2023

Source: compiled by the authors based on Sustainability of Ukrainian business during the war: What the "CSR Index 2023" showed (2023)

The second, but no less important, component of management in the current environment is ensuring the safety of company employees. In this respect, the vast majority of companies (over 83%) have ensured the relocation of employees and their families to safer areas of the country, mainly in the Western part of Ukraine, or abroad. The companies organised transportation and accommodation, and provided some financial support to such employees, including advance salary payments, money for household arrangements, and rental payments. Another area in this component is the installation of shelters in offices and production facilities, which was done by more than 66% of enterprises. The next component is unity and cooperation. An illustrative example in this regard is the Power Banking project, which was initiated by the National Bank of Ukraine to synergise the capabilities of banking institutions and the country's financial system to ensure that households and businesses have constant access to financial services, even in the face of power outages. In addition, the IT sector can be mentioned, which provided free internet services to bomb shelters, educational institutions, and local "resilience centres".

Another component of modern corporate social responsibility management in Ukraine is business support for defence capability. It is worth noting that almost all

large enterprises (93%) help the Armed Forces of Ukraine. Only two large business companies (with foreign capital) are unable to assist the military due to their corporate restrictions. National businesses provide significant financial, material, and humanitarian aid to the military. According to the survey, more than 50% of companies cooperate with many volunteer organisations to help the military. In addition, the majority of companies (83%) assisted communities where their structural units are located and operate within such communities. This was mainly in the form of financial payments, equipment for hospitals and educational institutions, and supply of goods and free services. In addition, many companies (26 out of 30) provided support to internally displaced persons (IDPs), such as food, medicine, personal hygiene products, housing for IDPs, and training courses.

Discussion

Study results suggest that enterprises need to form the concept of not just social, but corporate social responsibility, as the implementation of social projects or projects of other directions, such as environmental, is possible only if the core business is successful, which is also confirmed in the study by P. Hohnen & J. Potts (2007), which formulated a clear algorithm for implementing and managing CSR business.

Survey results show that companies that adhere to the concept of corporate social responsibility in their operations mostly implement projects in several basic vectors. Four main types of activity demonstrate corporate social responsibility. The first area is social and philanthropic responsibility, which essentially involves providing free, irrevocable assistance in various forms to those in difficulty and need. Businesses can invest in certain projects that contribute to the development of education, healthcare, or other areas. In this way, businesses have the opportunity to contribute to charity, make monetary donations or implement volunteer initiatives, involving their staff to support various social or environmental activities. Crucially, philanthropy should not only be symbolic but also meet real needs and principles, so that it can have a real impact on improving living conditions and the environment. The next type of corporate social responsibility is social and ethical responsibility. Companies that are guided by the principles of ethical responsibility maintain a fair attitude towards all stakeholders – managers, investors, employees, and customers' counterparties, and firms guarantee that they do not manufacture products that were produced as a result of child labour (Khilukha, 2023). Environmental responsibility is another area of focus. Taking care of the environment is one of the most common forms of corporate social responsibility in business structures. In this way, companies can significantly reduce the level of environmental pollution, use natural resources sparingly, use recycled materials, compensate for negative environmental impacts caused by planting trees, or implement investment projects to finance research on ecosystem conservation.

Similar results were obtained in the study by A.B. Carroll (2021). However, it should be noted that companies should consider their impact on the environment and comply with environmental standards in their activities by directly implementing the management process, which should include functional management subsystems. The final type, which is synergistic in nature, is economic responsibility, i.e. an approach according to which a business combines all its financial and economic decisions with the obligation to make a significant contribution to the development of the social and environmental areas mentioned above. Thus, following this business concept, the ultimate goal is not only to maximise economic benefits but also to ensure a positive impact of business activities and other initiatives on the environment, society, and the state.

Since business social responsibility management is a systematic approach to the integration of social and environmental aspects into the strategy and operations of an enterprise, it is therefore implemented following the classical components of management, such as planning, organisation, motivation, and control. The same conclusion is reached by M. Nadeyko (2021) and K. Su *et al.* (2024), who studied the optimisation of corporate social responsibility management systems. The results of the study show that corporate social responsibility planning requires analysis of the internal and external environment, determination of goals and priorities of social and environmental initiatives, creation of a strategy for interaction with stakeholders, determination of responsibilities and resources to be allocated to social projects, as well as the establishment of a system for monitoring and evaluation of the results obtained. Business social responsibility planning is a key stage for the successful and efficient implementation of social initiatives. Defining a clear strategy and goals allows the company to effectively direct its efforts to address specific social issues. Social responsibility planning should be integrated into the strategic business management process to ensure the long-term social impact and sustainability of such initiatives. Organisation, as a management function, in the context of corporate social responsibility, should be an important component of ensuring systematic and targeted management aimed at achieving a positive impact on society and the environment, as it requires a systematic approach to the effective distribution of responsibilities that will help the company achieve the set results from the implementation of projects of impact on social, environmental, or any other non-business area (González-Ramos *et al.*, 2023).

The survey results show that motivation in corporate social responsibility management can be very diverse and determined by many factors. It is important to understand that these factors may vary depending on a particular company and its strategic goals that motivate companies to adopt and implement socially responsible initiatives. Such factors include reputational opportunities, and competitive advantages, including attracting a new and maintaining an existing customer base, positioning as a value-based brand, creating investment attractiveness, attracting new and

retaining existing professional and highly qualified personnel who want to share social responsibility with the company by contributing to the development and support of society, nature, and other areas (Konstantynovskyi & Zmicerevska, 2023).

Corporate social responsibility control should include a range of actions and strategies to ensure effective implementation and compliance with the defined standards and goals. This involves the use of a monitoring system, internal and external audits, performance and impact assessments, feedback and reporting systems, and the involvement of employees at various levels in the monitoring process so that they can express their ideas and observations. In addition, to continuously improve CSR strategies, this component involves continuous improvement and adaptability, i.e. responding to changes in the environment, new standards, and stakeholder requirements. Therefore, it is possible to state that in modern conditions the general purpose of control is not only to identify deviations and shortcomings but also to continuously improve and ensure that the company's activities meet the established CSR standards.

Based on the analysis of the interpretations of the concept of corporate social responsibility and the above information, it is possible to form an understanding of the concept of corporate social responsibility management, which should be understood as a multicomponent management system (planning, organisation, motivation, control, communication) in close integration with the main business processes, which allows implementing initiatives aimed at protecting and developing society or the environment while achieving the main goal of doing business. Along with the above-mentioned systemic components of corporate social responsibility management, the communication component, especially its focus on the external environment, plays an extremely important role. W.T. Coombs & S.J. Holladay (2011), in their study on corporate social responsibility management from the standpoint of the communication approach, conclude that business, by implementing social projects, not only demonstrates its altruism and concern for social development but also aims to obtain real economic benefits from such initiatives by building a positive reputation. The results of this study confirm this, and therefore, it is possible to conclude that informing about social projects of business is an important element of corporate social responsibility. Providing clear and understandable messages about social initiatives, as well as regularly informing the public and stakeholders about the implementation of these initiatives, will help maintain a positive perception of the company and its efforts in the sector.

Despite the size of the company and the scale of assistance, social responsibility requires professionally developed and organised communication with all stakeholders, including partners, employees, clients (consumers), and the public administration sector, as stated in the study by S.D. Dmytriiev *et al.* (2021). However, as the results of the study show, in the context of managing the communication component, it is necessary not only to clearly define the

target audiences but also to determine in what forms they will be informed about CSR projects. Here it is possible to state that it should be directed both to the internal audience, i.e. the one concentrated in the ecosystem of business processes of the enterprise, and to the external audience – mass media, partners, potential consumers, clients, state authorities and other contractors (Gahramanova, 2019). Thus, according to the results of the study, informing about planned or ongoing corporate social responsibility projects, and especially about their results, is an integral element of the information exchange mechanism.

In the first months of the full-scale invasion, Ukrainian companies were haphazardly involved in the process of assisting society, the state, and the Armed Forces of Ukraine, due to the significant uncertainty of further developments, but in 2023, such activities became more planned, and for several companies, this turned out to be one of the strategically important areas of business. In general, it is safe to say that the conditions of war in Ukraine pose complex ethical and social challenges to businesses. In these conditions, business CSR management becomes even more relevant and important, as companies have an impact on the social sphere and can help in the context of the humanitarian crisis. As the results of the study show, in Ukraine, as a result of the war, the key area of CSR activities is direct humanitarian assistance, when companies can implement humanitarian programmes to help those affected by the war, including the supply of essential goods, medical equipment, and housing. Another important aspect for Ukrainian businesses is social support and security for employees both in the vicinity of the war zone and in other regions of the country. Another vector of corporate social responsibility in the current environment is direct support of the Armed Forces of Ukraine, both through existing volunteer organisations and public associations, and the implementation of initiatives. It is important to develop partnerships with non-profit organisations, government agencies and other civil society organisations to jointly solve problems and provide effective assistance.

Thus, corporate social responsibility management is a key element of a strategic approach to modern business management. It is important to define clear goals, develop effective plans and implement actions that will contribute to their achievement. This is especially relevant in the current war situation, as Ukrainian enterprises, including large businesses, can play a significant role in supporting society, addressing humanitarian issues and economic recovery in the affected regions, both by creating jobs and investing in social infrastructure.

Conclusions

Corporate social responsibility of business is manifested in the implementation of initiatives, programmes, projects, and activities aimed at two main areas, in particular the social sphere and the environment. It is implemented mainly through social and philanthropic, social, and ethical, environmental and economic activities. However, for

companies operating in the Ukrainian market, the focus, and priorities in the area of corporate social responsibility have changed somewhat as a result of the war. The need to ensure business continuity and the safety of employees, support for defence capabilities, unity and cooperation with volunteers and non-governmental organisations, and diverse support for local communities are now top priorities.

It is advisable to understand corporate social responsibility management as a process integrated into the general management mechanism of the enterprise, which allows implementing social or environmental measures in parallel with achieving profitability as the main goal of business activity. In general, corporate social responsibility management should be an integral part of both strategic and operational management of an enterprise and should be carried out in the context of the main functional systems such as planning, organisation, motivation, and control. However, since a business, implementing initiatives that characterise its CSR, not only contributes to solving social or environmental problems but also shapes its image, the communication subsystem should play a key role in the management system. With the help of communication tools, corporate social responsibility projects can be converted into real economic benefits, such as the loyalty of existing and attracting new customers, increased investment attractiveness, and employment of highly qualified personnel. The

effectiveness of communication management in terms of corporate social responsibility is determined by the company's ability to effectively inform both internal audiences and external stakeholders (partners, society, customers, and government authorities) about its goals, values, initiatives, and results.

In general, the management of corporate social responsibility of business in times of war requires a strategic approach and the need to consider corporate social responsibility as an integral part of business management to achieve its own goals, as well as to support society and the future recovery of the country. Further research should be directed at developing a conceptual framework for managing the communication system in the implementation of CSR projects, depending on the areas they are aimed at. In addition, a promising area of research is the development of scientifically based models of the relationship between the implementation of CSR projects and their impact on the image of the enterprise in the context of its transformation into additional economic benefits for business.

Acknowledgements

None.

Conflict of Interest

None.

References

- [1] Ahmad, G., Hayat, F., Almaqtari, F.A., Farhan, N.H.S., & Shahid, M. (2023). Corporate social responsibility spending and earnings management: The moderating effect of ownership structure. *Journal of Cleaner Production*, 384, article number 135556. doi: [10.1016/j.jclepro.2022.135556](https://doi.org/10.1016/j.jclepro.2022.135556).
- [2] Bukreieva, D., & Denysenko, K. (2022). Corporate social responsibility for business as basis for provision of business activities: European integration aspect. *Economy and Society*, 38. doi: [10.32782/2524-0072/2022-38-52](https://doi.org/10.32782/2524-0072/2022-38-52).
- [3] Carroll, A.B. (2021). Corporate social responsibility: Perspectives on the CSR construct's development and future. *Business & Society*, 60(6), 1258-1278. doi: [10.1177/00076503211001765](https://doi.org/10.1177/00076503211001765).
- [4] Chakroun, S., Ben Amar, A., & Ben Amar, A. (2022). Earnings management, financial performance and the moderating effect of corporate social responsibility: Evidence from France. *Management Research Review*, 45(3), 331-362. doi: [10.1108/MRR-02-2021-0126](https://doi.org/10.1108/MRR-02-2021-0126).
- [5] Coombs, W.T., & Holladay, S.J. (2011). *Managing corporate social responsibility: A communication approach*. Chichester: John Wiley & Sons.
- [6] Dmytryiev, S.D., Freeman, R.E., & Hörisch, J. (2021). The relationship between stakeholder theory and corporate social responsibility: Differences, similarities, and implications for social issues in management. *Journal of Management Studies*, 58(6), 1441-1470. doi: [10.1111/joms.12684](https://doi.org/10.1111/joms.12684).
- [7] Gahramanova, S. (2019). [The role of the corporate social responsibility in sustainable development of small and medium enterprises in Azerbaijan](https://doi.org/10.1108/ESD-01-2019-0011). *Economic and Social Development*, 1, 1255-1261.
- [8] Gahramanova, S. (2023). Prospects of development of the strategic policy of corporate social responsibility and sustainable business in Azerbaijan. *Business Strategy and Development*, 6(4), 795-804. doi: [10.1002/bsd2.278](https://doi.org/10.1002/bsd2.278).
- [9] González-Ramos, M.I., Guadamillas, F., & Donate, M.J. (2023). The relationship between knowledge management strategies and corporate social responsibility: Effects on innovation capabilities. *Technological Forecasting and Social Change*, 188, article number 122287. doi: [10.1016/j.techfore.2022.122287](https://doi.org/10.1016/j.techfore.2022.122287).
- [10] Hohnen, P., & Potts, J. (2007). *Corporate social responsibility: An implementation guide for business*. Winnipeg: International Institute for Sustainable Development.
- [11] How young people respond to corporate social responsibility – Results of a national survey. (2021). Retrieved from <https://csr-ukraine.org/news/yak-molod-reaguie-na-socialnu-vidpovi/>.
- [12] Khilukha, O. (2023). Corporate conflicts and business ethics. *Economic Forum*, 1(3), 63-67. doi: [10.36910/6775-2308-8559-2023-3-8](https://doi.org/10.36910/6775-2308-8559-2023-3-8).

- [13] Konstantynovskyi, L., & Zmicerevska, D. (2023). Methods for assessing corporate social responsibility in the retail business. *Development Management*, 21(4), 37-44. doi: [10.57111/devt/4.2023.37](https://doi.org/10.57111/devt/4.2023.37).
- [14] Lindgreen, A., & Swaen, V. (2010). Corporate social responsibility. *International Journal of Management Reviews*, 12(1), 1-7. doi: [10.1111/j.1468-2370.2009.00277.x](https://doi.org/10.1111/j.1468-2370.2009.00277.x).
- [15] Lopez, B., Rangel, C., & Fernández, M. (2022). The impact of corporate social responsibility strategy on the management and governance axis for sustainable growth. *Journal of Business Research*, 150, 690-698. doi: [10.1016/j.jbusres.2022.06.025](https://doi.org/10.1016/j.jbusres.2022.06.025).
- [16] Marco-Lajara, B., Zaragoza-Sáez, P., Falcó, J.M., & Millan-Tudela, L.A. (2022). [Corporate social responsibility: A narrative literature review](#). In *Frameworks for sustainable development goals to manage economic, social, and environmental shocks and disasters* (pp. 16-34). Hershey: IGI Global.
- [17] Matala, A. (2022). Reviewing the performance of local governments in managing corporate social responsibility program. *AKADEMIK: Jurnal Mahasiswa Humanis*, 2(2), 55-63. doi: [10.37481/jmh.v2i2.469](https://doi.org/10.37481/jmh.v2i2.469).
- [18] Matten, D., & Moon, J. (2004). Corporate social responsibility. *Journal of Business Ethics*, 54, 323-337. doi: [10.1007/s10551-004-1822-0](https://doi.org/10.1007/s10551-004-1822-0).
- [19] Moir, L. (2001). What do we mean by corporate social responsibility? *Corporate Governance*, 1(2), 16-22. doi: [10.1108/EUM0000000005486](https://doi.org/10.1108/EUM0000000005486).
- [20] Nadeyko, M. (2021). Social responsibility management optimization. *Economy and the State*, 2, 131-135. doi: [10.32702/2306-6806.2021.2.131](https://doi.org/10.32702/2306-6806.2021.2.131).
- [21] Stoyko, I., Sherstiuk, R., & Dolubovska, O. (2022). [Corporate social responsibility in Ukraine during the war and post-war periods](#). *Socio-Economic Problems and the State*, 27(2), 93-106.
- [22] Su, K., Liu, C., & Zhang, M. (2024). The optimization of a corporate social responsibility management system based on service-orientated architecture under the concept of sustainable development. *Technological Forecasting and Social Change*, 200, article number 123102. doi: [10.1016/j.techfore.2023.123102](https://doi.org/10.1016/j.techfore.2023.123102).
- [23] Sustainability of Ukrainian business during the war: What the “CSR Index 2023” showed. (2023). Retrieved from <https://thepage.ua/ua/rating/stalist-ukrayinskogo-biznesu-pid-chas-vijni-sho-pokazav-indeks-ksv-2023>.
- [24] Teymurova, V., Huseynli, I., & Miethlich, B. (2023). Operation of organizations and their relationship to corporate responsibility. *Public Organization Review*, 24, 75-95. doi: [10.1007/s11115-023-00724-2](https://doi.org/10.1007/s11115-023-00724-2).
- [25] Velte, P. (2022). Meta-analyses on Corporate Social Responsibility (CSR): A literature review. *Management Review Quarterly*, 72, 627-675. doi: [10.1007/s11301-021-00211-2](https://doi.org/10.1007/s11301-021-00211-2).
- [26] Vladymyr, O., & Bazhanova, N. (2022). [Social challenges and social responsibility of business in wartime](#). *Socio-Economic Problems and the State*, 27(2), 45-62.
- [27] Zhaldak, H.P., & Chuprina, M.O. (2021). Managing the reputational risks of the company taking into account the concept of corporate social responsibility. *Market Economy: Modern Management Theory and Practice*, 20(1(47)), 175-184. doi: [10.18524/2413-9998.2021.1\(47\).227015](https://doi.org/10.18524/2413-9998.2021.1(47).227015).

Основні принципи управління корпоративною соціальною відповідальністю в умовах воєнного стану

Ігор Богданович Яців

Доктор економічних наук, професор
Львівський національний університет природокористування
80381, вул. Володимира Великого, 1, м. Дубляни, Україна
<http://orcid.org/0000-0002-2370-6351>

Наталія Федорівна Павленчик

Доктор економічних наук, професор
Львівський державний університет фізичної культури імені Івана Боберського
79007, вул. Костюшка, 11, м. Львів, Україна
<https://orcid.org/0000-0001-6164-5644>

Анатолій Олександрович Павленчик

Кандидат економічних наук, доцент
Львівський державний університет фізичної культури імені Івана Боберського
79007, вул. Костюшка, 11, м. Львів, Україна
<https://orcid.org/0000-0002-2205-1883>

Володимир Романович Крупа

Кандидат економічних наук, доцент
Львівський національний університет природокористування
80381, вул. Володимира Великого, 1, м. Дубляни, Україна
<https://orcid.org/0000-0001-8658-7735>

Світлана Федорівна Яців

Кандидат економічних наук, доцент
Львівський національний університет природокористування
80381, вул. Володимира Великого, 1, м. Дубляни, Україна
<https://orcid.org/0000-0002-5242-7845>

Анотація. Корпоративна соціальна відповідальність є невід'ємним елементом сучасної бізнес-моделі, особливо для великих компаній. Ефективне управління цим процесом забезпечує позитивний результат як для суспільства, так і для самого бізнесу. Тому метою дослідження є обґрунтування теоретичних засад процесу управління в контексті корпоративної соціальної відповідальності з урахуванням воєнних умов, в яких функціонує український бізнес. Для досягнення поставленої мети використано системний підхід та методи аналізу, порівняння, дедукції, декомпозиції, зіставлення, декомпозиції. У дослідженні проаналізовано сучасні підходи до розуміння корпоративної соціальної відповідальності бізнесу. Виділено основні вектори, в яких реалізується корпоративна соціальна відповідальність підприємств. Сформовано авторське трактування поняття управління корпоративною соціальною відповідальністю. Сформовано та аргументовано основні принципи реалізації комунікаційної політики як для внутрішньої аудиторії (працівники компанії), так і для зовнішніх стейкхолдерів (партнери, клієнти, суспільство, держава). Досліджено та виокремлено особливості та основні напрями реалізації ініціатив корпоративної соціальної відповідальності українського бізнесу в умовах війни. Досліджено особливості та виокремлено основні напрями реалізації ініціатив корпоративної соціальної відповідальності українського бізнесу в умовах війни. Встановлено, що пріоритетом корпоративної соціальної відповідальності компаній в Україні є забезпечення безперервності бізнесу (що дозволяє виплачувати заробітну плату та податки), забезпечення безпеки персоналу (облаштування бомбосховищ, переселення працівників та їхніх сімей), підтримка обороноздатності (різноманітна допомога Збройним силам України) та допомога територіальним громадам. Результати дослідження можуть бути використані бізнес-середовищем для формування управлінського механізму реалізації ініціатив корпоративної соціальної відповідальності, а також академічною спільнотою, яка вивчає цю проблематику

Ключові слова: соціальні цінності; підприємництво; суспільство; організаційний менеджмент; гуманітарна допомога; благодійність