

PRESENT AND FUTURE OF THE SOCIAL AUDIT IN BULGARIA

The role and importance of social audit for business and society grow globally. This fact is not accidental. It is the result of: the benefits provided by social audit; the global socio-economic situation and the aspiration of people for better quality of life. Bulgaria is part of the global family and the processes related to the development of social auditing are not unfamiliar to it. Though the percentage of organizations applying social audit in Bulgaria is still negligible, there are objective prerequisites for its wide dissemination.

In the scientific literature there are different definitions of the nature of social audit. The understanding that social audit is not different from the financial one predominates. Unlike financial audit, however, which focuses on the financial performance of the organization, the social audit focuses on social performance. Therefore, we can conclude that social audit is an independent assessment of the achieved social objectives of the organization.

The retrospective analysis of the development of social audit shows that this issue has been under discussion since the early 70's, 80's of the 20th century. Social audit became especially popular in the early 90's of the 20th century. Statistics show that social audit is a well known practice in the U.S., Europe, Russia and India. In the U.S. 40% of the U.S. corporations carry out annual social audit. For Europe the figure is 70%.

The reasons for the growing interest in social audit are associated with the current economic situation in the world and the benefits of social audit. The current economic situation shows a drastic increase in social stratification in which the rich get richer and the poor poorer. Negative consequences of this fact are the increasing poverty, human rights violations and increasing corruption.

From 1990 to 2008 as a result of poverty 270 million people (approximately the U.S. population) died, most of them women and children. According to the World Health Organization (WHO) each year over 10 million children die due to hunger, poverty and treatable diseases. These are approximately 30,000 children per day or 1 child every 3 seconds!

According to the National Statistical Institute over one and a half million Bulgarians in 2008 were poor. Over 21% or 1.6 million Bulgarians lived below the poverty line. The poverty line in Bulgaria back then was 276 BGN. In 2010 the poverty threshold was 211 BGN. The percentage of people who are below this minimum ranks Bulgaria on the third place in poverty in the EU. Our country ranks one of the first in terms of social stratification. This means that the difference between the incomes of the poorest and those of the richest is very high.

Donation on behalf of firms is still slightly developed in Bulgaria, but there is evidence of growth. Since 2005 the number of contributors for the benefit of society has increased. In 2005 the percentage of companies that engaged in donations ranging from 5 to 50 000 BGN was between 1 and 3%. In 2006 this percentage was between 10 and 16%.

In 2010 a report by the European Commission for Gender Equality showed that Bulgaria is among the 7 countries with the greatest difference in pay between men and women for equal work.

This statistics explain the reasons for the high expectations towards social audit as the role of social audit is not manifested only in increasing the reputation of the company but also in studying the socio-economic circumstances in society. It is necessary to add the development of social economy which also requires specific control mechanisms. The number of social enterprises in Bulgaria is still small. Social entrepreneurship is underdeveloped. And yet, they occupy a significant place in the strategic objectives of the Operational Program „Human Resources Development ", which aims to effectively absorb the funds from the European Social Fund and to improve the quality of life in Bulgaria.

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