

## **CORPORATE SOCIAL RESPONSIBILITY: ESSENCE, DIRECTION, STANDARDS**

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Recently, an important condition for harmonious integration of business into the global community is the compliance of its activities to the interests of the public. Understanding of modern social, cultural, environmental and economic problems, active work to resolve them becomes an important condition for the success of the company.

World Business Council for Sustainable Development (WBCSD) describes corporate social responsibility as the business contribution to sustainable economic development in the following areas: corporate governance and corporate ethics; health and safety; environmental protection; human rights (including the core labor rights); human resources management; interaction with society, development and investment; corporate philanthropy and volunteerism; consumer satisfaction and commitment the principle of market competition; combating bribery and anticorruption; accountability, transparency and reporting activities; relationships with suppliers in the national and in the international supply chain.

Comparison of approaches by different authors and international organizations (WBCSD, the European Alliance of Corporate Social Responsibility, Organization for Economic Cooperation and Development) to the definition of CSR shows that in spite of certain differences, the key notions of the concept is voluntary, active, systematic work business units to implement sustainable development principles in their daily activities and to ensure their contribution to the solution of key social problems in order to gain competitive advantage.

Competitive advantages companies which actively working in this direction, are the following: correct definition of priorities and directions of development in accordance with their social orientation; timely diagnosis of problems and implementation of measures to address them; reduced production costs due to the introduction of modern achievements of logistics, improve resource efficiency and reduce waste; using the benefits prescribed by law for socially – responsible companies; benefit from the interaction with other industrial and financial organizations; reducing the risks of loss (shortfall) of profit due to penalties or prohibiting activities; increasing the investment attractiveness of the organization; reduce the cost of development of project documentation, reconstruction and construction of environmental facilities or the introduction of new technologies due to reduced number of complaints from the public and the executive; increase market segment due to awareness and the desire of consumers to use the company's products; optimization of insurance costs.

The CSR issue are governed by a system of standards: ISO 9000 "Quality management», «Eco-Management and Audit Scheme» (EMAS), ISO: 14000 "Environmental management system», SA 8000 "Social Accountability", AA1000 (system quality reporting organization), Global Reporting Initiative (GRI), OHSAS 18000 "Management of Health and Safety."

An attempt to form a universal concept of corporate social responsibility is reflected in the standard ISO 26000, proposed by the International Organization for Standardization. ISO 26000 includes provisions of all previous standards and is designed for a wide range of participants and economic relations.

In accordance with this standard of each organization is recommended to increase the level of social responsibility by working in the following areas: organizational management; human rights; labor practices; environment; conscientious partnership; problems associated with the consumers; participation in the life communities and their development.

Unfortunately, some experts attract the attention to the fact that in most cases company exist only for of profit maximization. Thus CSR can be used to divert public attention from the ethical issues associated with their activities. Some firms develop CSR programs only for commercial advantages resulting from the increasing reputation in the eyes of the public or the

government. For example McDonald's Corporation was trying to form a positive image through CSR. The company stepped up its CSR programs related to staff, the environment and other issues. However, workers McDonald's worldwide have lower pay and conditions than other similar companies, moreover, if a person often eats McDonald's, its diet includes a high content of fat, sugar and other substances, which significantly increases the risk of heart disease.

One way out of this situation, according to the experts, is the involvement of women in the board of directors. So the Board of Directors 80% of the Fortune 500 runs at least one woman. On the one hand, it contributed to solving the problem of gender equality. On the other hand women have such advantages: intuition, empathy, multitasking, marketing, sales motivation, creativity, communication skills and pay much attention to social aspects of the company.

The company must be aware of current and future requirements for its activity .Programs SWR should be an integral part of the all production processes after-sales service. The results of this activity in its entirety should be reflected in the financial statements of the company. Stakeholders should regularly receive information.

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