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EVALUATION OF THE LEVEL OF SOCIAL RESPONSIBILITY OF THE STATE IN THE FIELD OF EMPLOYMENT

Chernobay Liana Ivanivna

*PhD, Department of Management and International Business Professor,
National University "Lviv Polytechnic", Ukraine*

Malibroda Svyatoslav Bogdanovic

*Student,
National University "Lviv Polytechnic", Ukraine*

Yasinska Tetiana Viktorivna

*Ph.D., Department of Management and International Business Assistant Professor,
National University "Lviv Polytechnic", Ukraine*

The role of public authorities in the development of society was grounded in terms of the Welfare State. The priority of employment policies was proved to ensure a sufficient level of social responsibility of the state. Qualitative and quantitative characteristics of human resources were investigated at the current stage of development of Ukraine. Evaluation of the efficiency of the social state was proposed by means of the Social Responsibility Index (SRI). The method of selection of state policy was developed in the light of the evaluation of the social responsibility of the state in employment using the SRI and The Map of states of partial indicators. Measures were proposed on the base of method to enhance the functioning of Ukraine as a Social State.

Keywords: *Welfare State, social responsibility, Social Responsibility Index, employment, Unemployment Index, Economic Structure Variation Index, Index of migration.*

Introduction. The beginning of the XXI century was marked by a change of the role of public authorities in the development of society. The modern democratic state realizes itself not only in legal form but also in social forms. If the essential meaning of the legal form is the protection of human rights and freedoms, the social form assumes an active policy to ensure the human right to a dignified existence. The welfare state is committed to provide decent living conditions, social protection, rights to participate in management etc for each citizen.

The first signs of social state began to develop at the end of XIX century through the activities of the governments in the form of a fight against poverty and the improvement of the situation of the workers. The competence of the modern welfare state is much wider and extends to such areas as education, public health, labor market, social security system etc. The creation of the welfare state at the present stage of development of economic system involves the creation of social oriented economy, when everyone can fully reveal own potential, get a fair social rights and possibilities of free personality development. The employment policy is a priority for social state. Its effective implementation ensures the achievement of other system objectives.

The transition from command-administrative economic system to a market type caused shock changes in Ukrainian economy. It has changed social policy, mechanisms of its implementation, sources, targets and objectives. In a condition when existed methods dramatically declined and a new one was forming, the State was not able to effectively perform its social functions. The role of social institutions declined and citizens began to rely on themselves. The level of social responsibility of the State decreased. In accordance, the involvement of the citizens in nation-building process also descends.

Under such circumstances it becomes necessary to develop the public policy which combines the economic component of the regulation taking into account the individual needs of the population. It represents the social responsibility of the State in modern conditions.

Analysis of recent researches and publications. The problems of social responsibility of the State have been developed by such authors as O. Kuzmin, A. Pirog, O. Amosha, A. Novikova, U. Vedernikov, F. Papirna, O. Osaulenko, N. Vlasenko and others. In the works of these researchers are analyzed the key aspects of social responsibility of a man, the State and society; the mechanism of application of the social responsibility for the achievement of human development is defined, the processes of forming relations of employers with employees and business with external organizations on the principles of social responsibility are explored; there are offered directions for improvement of public administration in the direction of becoming a social responsible; also, methods of monitoring and evaluation of the effectiveness of social responsibility are explored, etc.

The European Commission considers social responsibility in the context of sustainable development of the region and the Strategy of the European Commission on corporate social responsibility (CSR) 2011-2014. The Constitution of Ukraine proclaims the equal rights of every person to adequate standards of living, medical care, safe environment for the life and health, etc.

According to the [2, p. 11] social responsibility is a social phenomenon, which means a voluntary and conscious performance and compliance with the subjects of social relations, prescriptions, social norms, and in case of their infringement, imposing to the offender restrictions under these regulations.

Social responsibility has a tiered structure and consists of [2, p. 30]:

- baseline, which assumes such obligations as timely payment of wages, the creation of new jobs;
- the second level, which involves workers adequate conditions not only of work but also of life, in particular, enhance the skill level of workers, prophylaxis services, housing, development of social infrastructure, etc.;

– the third (highest) level, which provides charitable activities.

According to the functioning environment the of social responsibility is divided into two blocks – external and internal, which, in turn, consist of a number of components (table 1).

Table 1. The main components of units of social responsibility

№	Internal social responsibility	External social responsibility
1	Labor protection	Relationships with business partners, suppliers and consumers
2	Stability of wage	Environmental protection promoting
3	Socially significant salary support	Interaction with the local community and local authorities
4	Labor stability	Responsibility to consumers of goods and services
5	The development of human resources through training programs and professional development	Willingness to participate in the aftermath of crisis situations
6	Innovation	Socially responsible investing
7	Appropriate working conditions	Innovation
8	Additional medical and social insurance of employees	Market expansion and competitiveness increasing at the international level
9	The policy of adapting businesses to the structural changes	Corruption reducing
10	Turnover reduce	The company's activities risks reducing
11	Staff development with the purpose of attraction and apprehension of talented employees	The implementation of socially significant products and services
12	Adaptation to change	Educational activities, the development of civil society
13	Gender equality	Small and medium business promotion
14	Social dialogue	Collaboration with local communities

Source:[2].

From the table 1 we see that most of the components of the internal unit of the Statesocial responsibility regards to the employment policy. Therefore, we can assume a priority of employment policy in terms of ensuring adequate levels of State social responsibility. It follows from the fact that the achievement of the objectives of social policy is impossible without a sufficient level of economic development, which, accordingly, depends on employment and labor market characteristics.

This statement is reflected in three major conditions of sustainable economic development, which is one of the principles of the development of the welfare State:

- economic wealth means to cover its functioning;
- environmentally sustainable means the support the long-term sustainability of its ecosystems;
- sociallyfavorable is equalsatisfyingof cultural, material and spiritual needs of the society [2, p. 11].

Previously unsettled problem constituent. The problem of the social responsibility of State authorities is often analyzed in scientific circles. Butthe method of examining and evaluations of State social responsibility is still undeveloped. Such researching allows to characterize the social status in the country and itscomparison with other countries. This in turn will facilitate the formation of an adequate policy to build a social State.

Main purpose of the article. The aim of the research is to developthe theoretical and practical aspects of the evaluation of the social responsibility of State authorities in theemployment field. The following tasks were performed in order to achieve the aim:

- analyzing of qualitative and quantitative characteristics of human resources at the present stage of development of the economy;
- development of the categorical apparatus, including essence of the social responsibility as integral performance indicator of the social State;
- development of the method of evaluation and analysis of the level of social responsibility of the State in the sphere of employment with the use of integral index and The Maps of Partial Indicators Conditions;
- clarification of the socially responsible role of the State in the employment sphere.

Results and discussions. The analysis of the literary sources shows that the most important component that forms and with which we can assess the State social responsibility is the country's employment policy.

The main indicator which reflects the state of employment in the country is the unemployment rate, which shows the balance of demand for jobs from the economic active population and proposals from the private sector and the State. Table 2 represents the main indicators of the labor market in Ukraine for 2000-2015.

Table 2. Key indicators of the labor market in Ukraine for 2000-2015

Years	Population	Economically active population aged 15-70 years	Unemployment population (ILO methodology), aged 15-70 years	
	In average, thous.	In average, thous.	In average, thous.	% of the economic active population
2000	48923.2	22830.80	2655.80	11.6
2001	48457.1	22426.50	2455.00	10.9
2002	48003.5	22231.90	2140.70	9.6
2003	47622.4	22171.30	2008.00	9.1
2004	47280.8	22202.40	1906.70	8.6
2005	46929.5	22280.80	1600.80	7.2
2006	46646	22245.40	1515.00	6.8
2007	46372.7	22322.30	1417.60	6.4
2008	46143.7	22397.40	1425.10	6.4
2009	45962.9	22150.30	1958.80	8.8
2010	45778.5	22051.60	1785.60	8.1
2011	45633.6	22056.90	1732.70	7.9
2012	45553	22011.50	1657.2	7.5
2013	45426.2	21980.6	1576.5	7.2
2014	42928.9	19035.2	1847.1	8.7
2015	42760.5	17396.00	1654	8.5

Source:[3]

From the table 2 we see that the official employment data in Ukraine is relatively satisfactory. The highest unemployment rate was 11.6% in 2000th. The lowest unemployment rate was 6.2% in 2007th. Unemployment rate has decreased for 3.1% during the analyzed period. The cyclical unemployment was 3-4% averagely during the period. Analysis of the causes of unemployment showed that one of the most important problems in this field is structural unemployment. Its solution is strategic for economic development of any country. Abrupt economic changes cause structural unemployment

which can acquire short and long term character. It depends on a few reasons as professional mobility of released workers, the efficiency of State employment policy, investment policy etc. Figure 1 represents the structure of the employed population by type of economic activity for 2000-2012.

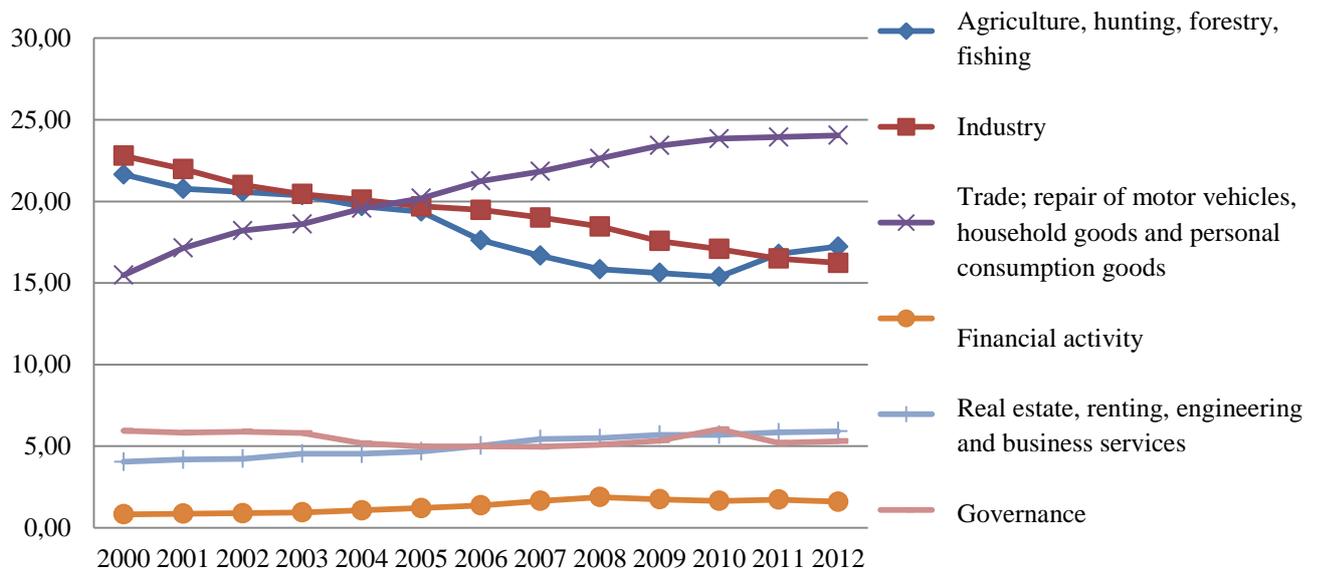


Fig. 1. Dynamic of the structure of employed by the type of economic activity for 2000-2012

Source: constructed by the authors using the data of State Statistic Service of Ukraine [5].
 Note: Analyzed data was taken for 2000-2012 years because of changing of type of activities in 2013th

Analyzing the data on Figure 1, we see a significant change in the structure of the economy during the analyzed period. The share of employment in agriculture, hunting, forestry, fish culture and industry decreased in average by 5%. The employment share in retail trade increased almost by 10%. Significant fluctuations in the share of employed in the field of public administration and finance are also observed.

Structural shifts in the economy, the low level of remuneration and social protection have caused a mass emigration including the outflow of skilled personnel.

Official statistics is taking into account only employees who are working officially and find a job by intermediaries. This causes a substantial difference of themigrating ata versus real situation (table 3).

According to the National Institute for strategic studies, approximately 80 thousand of Ukrainian citizens work abroad. The State Statistics Service of Ukraine perform extensive examination of this issue in 2008 and 2012. According to the results, the number of migrant workers was evaluated in 1.5 million (2008) and 1.2 million (2012)[6].

The economic crisis and the war conflict in the East of Ukraine have increased migration rate. According to Eurostat data, around 291.4 thousands of Ukrainians migrated to EU in 2014. It is 87% more than average number during previous 2010-2013 years. 455.6 thousands of Ukrainians migrated in 2015 which is 192% more than average before beginning of war conflict [7, 8].

Table 3. Immigration of Ukrainians by the data of the countries of destination (first row) and emigration in the relevant country in accordance with Ukrainian data (second row) for 2004 2012, thousands persons

Countrydestination	2004	2005	2006	2007	2008	2009	2011	2012	Together
Italy	11.2	15.9	15	15.8	24.4	23	17.9	11.5	165.1
	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	1.5
Spain	10.3	8.8	8.8	9.5	6.5	4.4	5.1	3.7	63.7
	0.1	0.2	0.2	0.3	0.2	0.3	0.4	0.4	2.5
Czech Republic	15	23.9	30.2	39.7	28	13.4	2.3	4.4	160.5
	0.4	0.3	0.4	0.5	0.4	0.5	0.4	0.4	4
Russia	17.7	30.8	32.7	51.5	49	45.9	44	49.4	348.5
	25.9	19	18.2	17.5	12.4	9.9	5.1	4.9	118.8
Together	54.2	79.4	86.7	116.5	107.9	86.7	69.3	69	737.8
	26.5	19.6	18.9	18.5	13.2	10.9	6.1	5.9	126.8
Deviation,%	-51.11	-75.31	-78.20	-84.12	-87.77	-87.43	-91.20	-91.45	-82.81

Source: [12].

According to a survey conducted of the Gorshenin Institute in April 2016 more than 40% of economic active Ukrainians from 18 to 29 years old were ready to leave Ukraine for better paid job. According to GFK Ukraine survey, the 8% of Ukrainian citizens (around 3 million) are going to migrate in a year [9].

In addition, labor migration significantly amplifies by hidden outflow of intellectual capital because of studying abroad. Also, here has to be taken into account the fact that students from families of labor migrant likely will remain abroad [9].

Summing up the conceptual foundations of the social State, previously formed conclusions on employment policy priorities in order to ensure social responsibility and analyzed the indicators of the labor market in Ukraine, one can formulate a working hypothesis that determining of effective directions of State employment policy has to be based on the evaluation and analysis of the Integral Index of Social Responsibility of the State.

In this case, the Integral Index of Social Responsibility is an indicator that reflects the effectiveness of the functioning of the social State and can be evaluated by the integration of a group of indicators that reflect the status of the employment in the country taking into account the social component. This group of indicators includes Unemployment rate, Index of economic structure variation, Index of migrations. Formulated hypothesis is represented on Fig. 2.

In the first stage shown in Fig. 2 we collect the data on partial indicators which are necessary for evaluation of social responsibility as the resulting (integral) index. Partial indicators are:

- Unemployment index (I_U) is the difference between the unemployment rate in the current year and the previous in percent;
- Index of economic structure variation (I_{SV}) is the sum of the variation of growth rate of a number of employees in each sector of economy:

$$I_{SV} = \sum_{i=1}^n \frac{(E_i - E_{i-1})}{E_i} * 100\%$$

n is a number of sectors;

E_i is a number of employees in i -sector of economy in current year; E_{i-1} is a number of employees in i -sector of economy in previous year;

– Index of migration (I_M), which is calculated as the ratio of a number of migrants (including migrations with purpose of permanent migration, education abroad and labor migration) and the total population in current period.

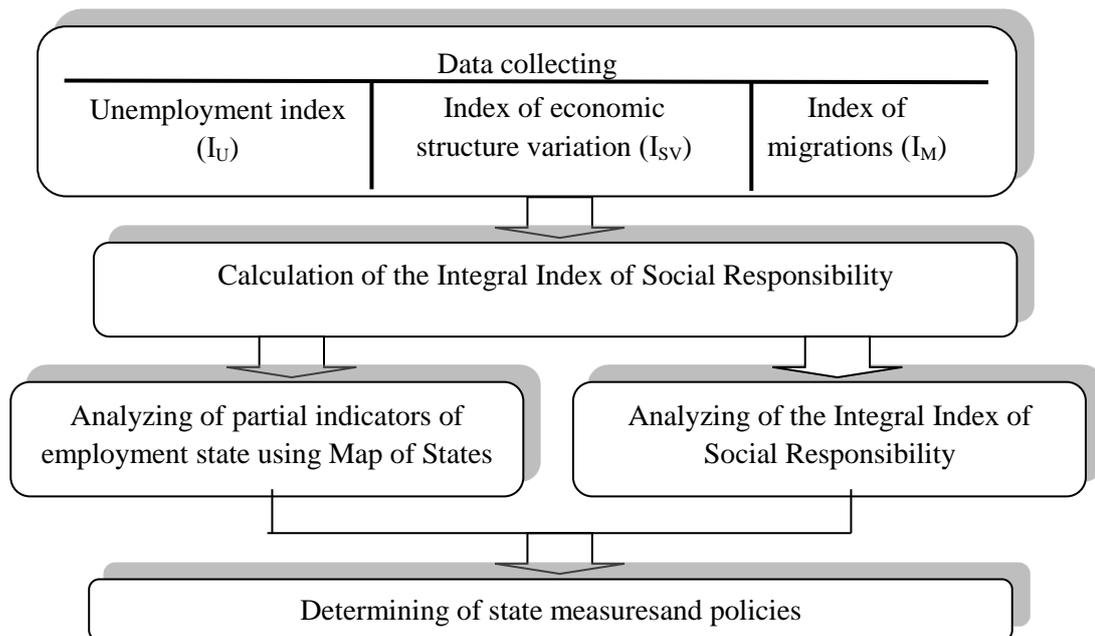


Fig. 2. Determining of state measures and policies through the evaluation of the Integral Index of Social Responsibility of the State

Source: developed by the authors

The Integral Index of Social Responsibility of the State in the employment sphere (ISR_E) is defined as inverse to the sum of partial indicators adjusted by weights coefficients.

$$ISR_E = \frac{1}{k_U * I_U + k_{SV} * I_{SV} + k_M * I_M}$$

k_U, k_{SV}, k_M are the weight coefficients of partial indicators.

ISR_E visualization can be made with three-dimension graphic form. Partial indicators are the axes. ISR_E is a vector. Visualization is represented on figure 3:

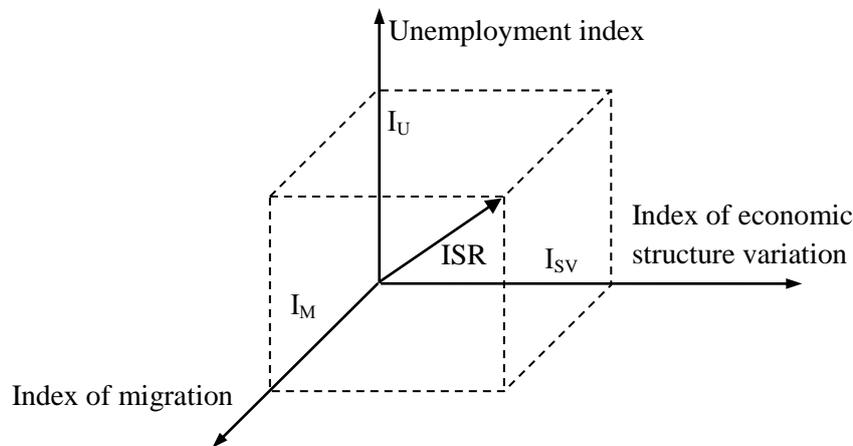


Fig. 3. Graphical interpretation of the indicator of the Integral Index of Social Responsibility. Source: constructed by the authors.

There are eight options for placement of the vector of the ISR_E on the graph depending on its partial indicators. According to the possible placement options, we have developed the Map of states of partial indicators with description of each state (table 3). The evaluation criteria are determined by expert evaluation by the workers of the Department of employment of Halych district of Lviv.

Table 3. Map of States of partial indicators of the scope of employment and their characteristics

The condition of the partial indicators	Evaluation criteria	Condition description
1	2	3
I	$I_U \leq 0.5\%$	Reflects the higher level of economic development
	$I_{SV} \leq 3\%$	
	$I_M \leq 0.5\%$	
II	$I_U > 0.5\%$	Reflects a high level of economic development. Unemployment is increasing but economic structure is balanced. Workers income is sufficient. High level of social security of unemployed. As a result, no reasons for migration.
	$I_{SV} \leq 3\%$	
	$I_M \leq 0.5\%$	
III	$I_U \leq 0.5\%$	Shows the changes in the economic structure. Professional mobility of released workers is high enough so unemployment is not increasing. Active State employment measures. Workers income is sufficient. High level of social security of unemployed. Requires detailed analyzing to identify potential problems.
	$I_{SV} > 3\%$	
	$I_M \leq 0.5\%$	
IV	$I_U \leq 0.5\%$	Displays overcrowding in the country at full employment, which is compensated by migration. High international mobility of labor. There exists a possibility of creating of outflow of high qualified personal.
	$I_{SV} \leq 3\%$	
	$I_M > 0.5\%$	

Table 3.

V	$I_U > 0.5\%$	Reflects structural change in the economy. Released workers cannot find a new job. It causes unemployment growth. The low Index migrations could be caused by a high level of social security of unemployed or low international labor mobility or international restrictions of migration.
	$I_{SV} > 3\%$	
	$I_M \leq 0.5\%$	
VI	$I_U > 0.5\%$	Can characterize two states. In the first case the economy reached full employment. Overcrowding is considerable. Income level is not high enough, pushing the unemployed to migrate. Another condition is characterized by stagnation in the economy and low-income population. Both conditions are characterized by high mobility of labor and low level of social security of unemployment.
	$I_{SV} \leq 3\%$	
	$I_M > 0.5\%$	
VII	$I_U \leq 0.5\%$	The economic structure is changing. Citizens are not satisfied with living conditions. It causes migration which compensates the increasing of unemployment rate. High international mobility of labor.
	$I_{SV} > 3\%$	
	$I_M > 0.5\%$	
VIII	$I_U > 0.5\%$	Reflects serious economic problems, as a result of structural changes (declining of sectors because of innovations etc.) or economic crisis. Government is unable to correct the deviation. High unemployment rate. State is not able to provide efficient social security policies. High index of migration.
	$I_{SV} > 3\%$	
	$I_M > 0.5\%$	

Source: developed by the authors.

According to the proposed method, it was performed an analysis of partial indicators of employment sphere of Ukraine in 2001-2016. The Integral Index of Social Responsibility of the State in the employment sphere was evaluated. Results are shown in Figure 4.

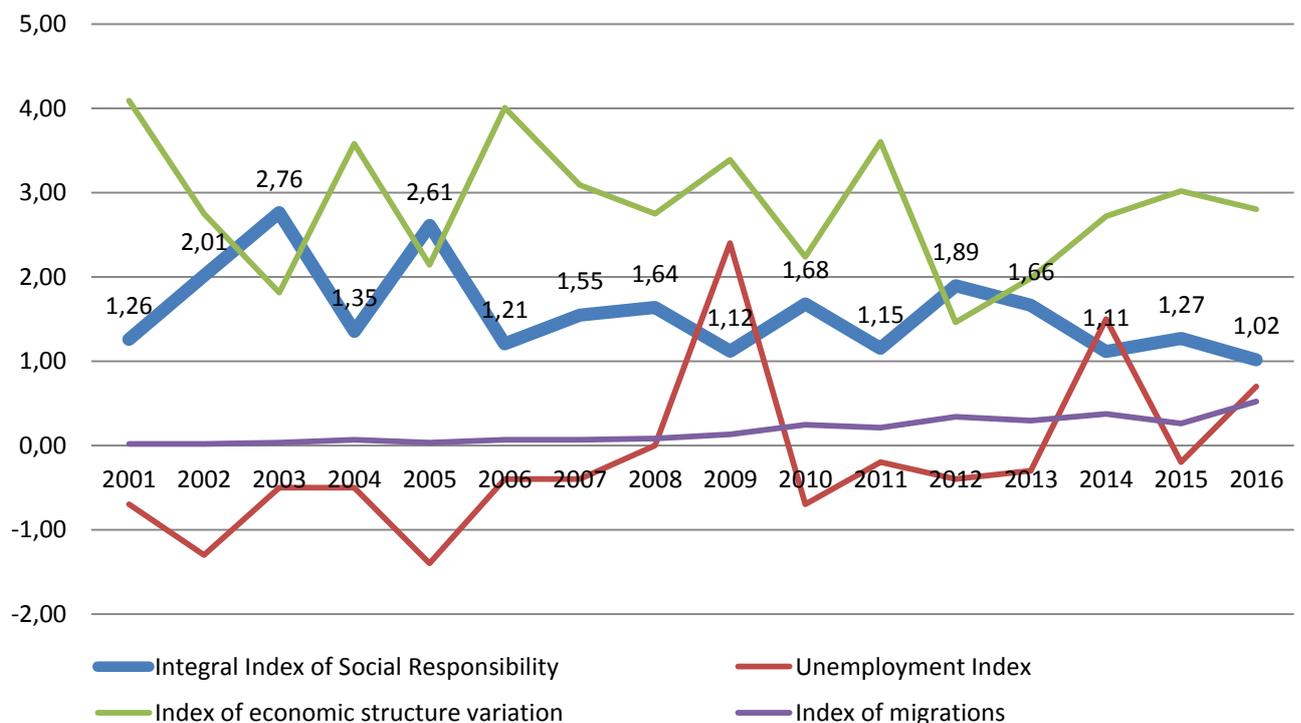


Fig. 4. The Integral Index of Social Responsibility of Ukraine with partial indicator in 2001-2016.

Source: calculated and constructed by the authors.

The results of the analysis of partial indicators of employment status using the Map of States and Integral Index of Social Responsibility of the State is recommended as a basis for the determining of the State policy and measures in the employment sphere. The assessment of employment sphere Ukraine allows us to recommend the following measures to increase the effectiveness of the functioning of the Ukraine as a welfare state:

- identify and support industries-recipients for workers released in the result of structural changes in the economy;
- re-training of released workers;
- social security that provides incentives to finding work;
- effective professional guidance among the students and the population;
- an active information measures using mass media;
- development of the job search Internet resources;
- intensifying relations between business and educational institutions;
- support for small business.

The findings from this study and prospects of further development to this direction. As a result of conducted research proved the relevance of implementing the social responsibility of the State in the sphere of employment proposed in the paper's approach to the assessment of the level of social responsibility of the State through its activities in the field of employment was investigated for the first time and requires further study, particularly in the field of the study of the elements of the mechanism of realization of social responsibility of the State.

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**ОЦІНЮВАННЯ РІВНЯ СОЦІАЛЬНОЇ ВІДПОВІДАЛЬНОСТІ ДЕРЖАВИ У СФЕРІ
ЗАЙНЯТОСТІ НАСЕЛЕННЯ**

Чернобай Ліана Іванівна

*к.е.н., проф. кафедри менеджменту і міжнародного підприємництва,
Національний університет «Львівська політехніка», Україна*

Маліброда Святослав Богданович

студент,

Національний університет «Львівська політехніка», Україна

Ясінська Тетяна Вікторівна

*к.е.н., доц. кафедри менеджменту і міжнародного підприємництва,
Національний університет «Львівська політехніка», Україна*

Обґрунтовано роль органів державної влади у розвитку суспільства в умовах соціальної держави. Доведено пріоритетність політики зайнятості для забезпечення достатнього рівня соціальної відповідальності держави. Досліджено якісні та кількісні характеристики трудових ресурсів на сучасному етапі розвитку економіки України. Запропоновано оцінювати ефективність функціонування соціальної держави за допомогою інтегрального показника рівня соціальної відповідальності. Розроблено метод вибору напрямів державної політики через призму оцінювання рівня соціальної відповідальності держави у сфері зайнятості населення з використанням інтегрального показника та карти станів часткових показників. На основі розробленого методу запропоновано заходи підвищення ефективності функціонування України як соціальної держави.

***Ключові слова:** соціальна держава, соціальна відповідальність, рівень соціальної відповідальності, сфера зайнятості, індекс безробіття, індекс відхилень у структурі економіки, індекс міграції.*

**ОЦЕНКА УРОВНЯ СОЦИАЛЬНОЙ ОТВЕТСТВЕННОСТИ ГОСУДАРСТВА В СФЕРЕ
ЗАНЯТОСТИ НАСЕЛЕНИЯ**

Чернобай Лиана Ивановна

*к.э.н., проф. кафедры менеджмента и международного предпринимательства,
Национальный университет "Львовская политехника", Украина*

Малиброта Святослав Богданович

студент,

Национальный университет "Львовская политехника", Украина

Ясинская Татьяна Викторовна

*к.э.н., доц. кафедры менеджмента и международного предпринимательства,
Национальный университет "Львовская политехника", Украина*

Обоснована роль органов государственной власти в развитии общества в условиях социального государства. Доказана приоритетность политики занятости для обеспечения достаточного уровня социальной ответственности государства. Исследованы качественные и количественные характеристики трудовых ресурсов на современном этапе развития экономики Украины. Предложено оценивать эффективность функционирования социального государства с помощью интегрального показателя уровня социальной ответственности. Разработан метод выбора направлений государственной политики сквозь призму оценки уровня социальной ответственности в сфере занятости населения с использованием интегрального показателя и карты состояний частных показателей. На основе разработанного метода предложены меры повышения эффективности функционирования Украины как социального государства.

***Ключевые слова:** социальное государство, социальная ответственность, уровень социальной ответственности, сфера занятости, индекс безработицы, индекс отклонений в структуре экономики, индекс миграции.*