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ЗАСТОСУВАННЯ VAR-МОДЕЛІ В ДОСЛІДЖЕННІ ВПЛИВУ ЛІКВІДНОСТІ ДОМОГОСПОДАРСТВ НА МОНЕТАРНУ ТРАНСМІСІЮ

Детальне дослідження механізму монетарної трансмісії в сучасних умовах економіки України є актуальним питанням при аналізі короткострокового впливу грошово-кредитної політики на реальний сектор економіки. Мета цього дослідження полягала у визначенні каналів монетарної трансмісії, пов'язаних з ефектом ліквідності домогосподарств. Динаміка частки депозитів у національній валюті в пасивах банківської системи викликає реальне зростання виробництва в короткостроковій перспективі. Виявлені взаємозв'язки вказують на роль банківської системи у формуванні споживчого попиту.

Ключові слова: трансмісійний механізм монетарної політики, ефект ліквідності домашніх господарств, вектор авторегресії (VAR) моделі.

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CORPORATE SOCIAL RESPONSIBILITY PRACTICES IN DEVELOPED AND DEVELOPING COUNTRIES

Corporate social responsibility practical implementation experience in different countries is investigated. The main drivers for corporate social responsibility activities within in developed and developing countries are distinguished and reviewed. The corporate social responsibility concept development in Ukraine is explored, the main obstacles for socially responsible activities of Ukrainian companies are underlined.

Keywords: corporate social responsibility, sustainable development, environmental sustainability, climate crisis, human rights protection, responsible business.

Stock market downturns, corporate scandals, threat of terrorism, uncertain economy and a number of other economic factors have brought down trust in the corporate sector and its leaders. Companies have to address this both collectively intro-

ducing a set of indicators to measure their impact on society as well as reporting about this and individually by positioning themselves as those that make a positive impact on society. Stakeholders are becoming more critical, and the standards for

meaningful social interaction are rising. Corporate social responsibility (CSR) is a necessity today while becoming more and more mainstream.

Corporate social responsibility and its connection to financial performance of a company is quite meaningfully covered in a number of works of foreign scholars, such as Margolis and Walsh (2002), Wright and Ferris (1997), Posnikoff (1997), Welch and Wazzan (1999), Cochran and Wood (1984), Aupperle, Carroll, and Hatfield (1985), Waddock and Graves (1997) and others.

Practice shows that companies developing their CSR strategies do not take only their operational activities, possible harm or employee-related issues into consideration. In fact, there is a number of other factors influencing social investments including socio-cultural context, social needs, problems that exist in a certain country as well as state regulations and political situation. Therefore, successful CSR practices direction may vary qualitatively among different parts of the world and even countries. This is an issue worth being taken into account particularly by companies planning to set up their business abroad. For instance, contribution to fight AIDS and black empowerment are central corporate responsible themes in Africa, charitable endowments in the USA, and in the Netherlands it is most commonly associated with social activities that transcend legislation. The social and political situation in a country has a significant role in what is expected from companies with regard to CSR, especially foreign. Certain practices that are obvious in one country may evoke considerable topic of discussion in another. This happens due to the differences in relationship between companies and local government, relationship between companies and their stakeholders or social problems that are given a priority in each country.

Main peculiarities between CSR practices can be distinguished among developed and developing countries:

- In developing countries, responsible activities are mostly associated with charity or corporate philanthropy through financing health, sport, environment, development, education and other community services, while in well-developed countries the need in most of the mentioned above activities is obvious and sometimes even state-regulated, therefore CSR practices are mostly customer- and employee-oriented.
 - In developed countries CSR tends to be more institutionalized or formalized in terms of CSR benchmarks, whereas in developing there are rarely CSR standards, reports, codes or management systems – even if formal CSR practices are implemented – it is being done by large, high ranking national and multinational companies, especially those aspiring to global status. Besides, even if these standards or codes exist, they are applicable to particular industry type, such as agriculture, mining, textile, etc.; or to specific issues, like AIDS, supply chain, fair trade, etc.
 - Economic commitments are supposed to be more effective for business to make a social impact in developing countries. It is introduced through job creation, technology transfer or investors' attraction.
 - In developing countries business is often involved in solving social problems, e.g. investing in infrastructure, hospitals, schools and housing. Contrary to that in developed countries it is mainly government's responsibility, thus not expected or demanded from companies.
 - Social issues are given more economic, political or media emphasis in developing countries than stakeholder, environmental or ethical issues.
 - The practice and spirit of CSR are often mentioned in financial gains context in developed countries, while in developing ones they are usually associated with traditional communitarian values and religious ideas, for instance Ubuntu (African humanism) in South Africa [5].
- A separate issue to consider is country's reputation or more commonly saying country's "branding" as a grave instrument that is involved in shaping corporate social responsibility. National governments as well as corporations are nowadays under enormous pressure to build trust of their citizens and stay competitive in a global world. They play distinct roles in society through providing certain services such as wealth redistribution, health and education, guarantor of life security of people, environmental sustainability, etc. However, when governments fail to accomplish these vital roles, corporations may take a part of state responsibilities in the form of CSR initiatives to fill this gap. That's why the reality appears to be so that both company's CSR and country's "branding" are inextricably linked: country's image helps to build company's reputation and vice versa. For instance, Sweden's reputation was established on the well-known brands like Volvo, Saab, Absolut or IKEA, famous for their CSR

campaigns, which in fact were aligned with the national branding strategy.

Distinguishing features of CSR practices in different political culture, particularly North America, Europe and Asia were revealed in the research conducted by Richard Welford in 2004 [4]. CSR practices were divided into two aspects – internal and external. According to the authors' survey fewer policies were found in Asia, especially those regarding statement on normal working hours, fair wage structures and maximum overtime working hours. However, this can be explained by the fact that labor is treated as a “factor of production” rather than “human capital” and working long hours, even if not paid for is a common thing in Asia. Moreover, Asian companies are more likely to take actions on CSR practices relating to ethics, corruption and bribery only if they directly affect these companies. If to consider philanthropic issues, supporting initiatives are the highest in North America, significantly lower in Europe and the lowest in Asia. Educational programmes are the least attractive practices in all of the three surveyed regions. In general, Asian companies are more conservative when it comes to presenting their relationships with stakeholders, especially external, because Asian cultures are mainly inherently modest and shouting about someone's success is not acceptable. However, more and more of Asian companies look to the West trying to implement responsible strategies to avoid coming under attack from pressure campaigners and groups. Talking about European countries, in vast majority of cases, all of those reporting any CSR practices carry out initiatives on equal opportunities and non-discrimination. This is particularly due to the strict government policies regulating this sphere of social relations. Most popular things to report in Italy are codes of conduct on bribery, ethics and corruption that can be explained by country's historical links to Mafia and companies' desire to put an emphasis on their business being uninvolved in illegal activities.

In terms of citizenship, the most philanthropic companies are observed in Norway, while the least – in Spain. Overall, the data asserts that more activities are carried on in Northern Europe than in Southern. Perhaps, it has arisen on a better development of the economic system and liberal democracy in the north.

Another research has been done by Grant Thornton, one of the world's leading tax and advisory firms in 2008 exploring main CSR practices and main drivers of corporate responsibility (Table 1).

Table 1. Main drivers for CSR activities within separate countries [1]

Main driver of CSR	Countries
Cost management	Botswana, Brazil, France, Honk Kong, India, Italy, Malaysia, Netherlands, Philippines, South Africa, Taiwan
Building brand	Argentina, Greece, Ireland, Mexico, Singapore, Spain
Recruitment of staff	Armenia, Australia, Belgium, Canada, Denmark, Germany, Japan, New Zealand, Poland, Russia, Sweden, Turkey, UK, USA
Tax relief	Thailand
Investor relations	Vietnam

Generally speaking, most wide-spread drivers of corporate responsibility in the world are attraction of high quality staff (65 % of respondents), cost management (63 %), building a brand (56 %), tax relief (44 %), saving the planet (40 %), investor relations (39 %) and government pressure (38 %).

Some research was also done in ranking whole countries in regard to responsible activities and CSR reputation. In order to set up a CSR Index for countries a number of standards and indices were used to construct it, e.g. Global 100, ISO 14001, Dow Jones Sustainability Index, etc. After index was estimated, highly profiled countries were determined (Table 2). No significant changes in the top-10 have been observed during the 2007-2012 time period. Most socially responsible countries maintained their positions at the top of the rank, slightly shifting to one or three stages.

Table 2. Top-10 ranking of the most CSR developed countries in the world [2]

Rank	2007	2012
1	Switzerland	Finland
2	Sweden	Denmark
3	Finland	Sweden
4	Denmark	Switzerland
5	Norway	Norway
6	Netherlands	UK
7	UK	Netherlands
8	Australia	Spain
9	Japan	Australia
10	Canada	Japan

Regarding this ranking, it is worth mentioning about CSR situation in one of the listed countries. Perhaps, Sweden will be the right one to choose, as it is the only country which preserved its position in top-3 of the rank in both 2007 and 2012. This

country is believed to be one of the most responsibly developed countries in the world. Swedish CSR model strongly relies on a state initiative, however there are lots of Swedish companies that are quite active in their responsible performance. State-run companies are concerned with human rights, environmental and gender non-discrimination issues. They are obliged to present sustainability reports compliant with GRI guidelines. NGOs, media, consumers, auditing companies and PR-agencies are assigned with the leading role in CSR development in Sweden. Major socially responsible interests within country are climate crisis, human rights protection, fair trade, responsible behavior of Swedish companies abroad and labour market and supply chain issues. Environmental issues, generally are most popular with a considerable emphasis on climate change, energy efficiency, Baltic Sea pollution, becoming “fossil fuel free by 2030”. Moreover, Swedish companies occupy the world-leading position in the field of “cleantech”. This term is used to describe products and services that improve productivity, operational performance or efficiency while reducing energy consumption, inputs, costs, pollution or waste. Besides that, CSR awareness level is very high, mainly due to good media coverage and educational programmes in this field. Largest Swedish companies (like IKEA and H&M) and their CSR activities are in constant focus of journalists.

In sum, each CSR strategy should be based on two perspectives: internal, considering company's direction of operational performance, main areas of interest in relationship with stakeholders or management's disposition towards CSR activities; as well as external one, which involves taking into consideration social and cultural environment, historical tendencies, activity of the pressure groups or moral standards established in the country.

Development of the CSR in Ukraine was consolidated mainly around international organizations and projects. At the same time, there is no professional CSR business-associations established and managed transparently only by business, as it was in other European countries on the initial stages of CSR development. However, there are two notable organizations that contributed greatly to the formation of responsible conscious towards stakeholders in Ukraine – Centre for CSR development and social company “CSR Ukraine Community”.

Dialogue on the CSR topic in Ukraine is being held in the form of separate projects and initiatives, without precise indicators and assessing the process and results of implementation. The most open for

responsible initiatives are companies with private capital, both Ukrainian and foreign. A positive fact for Ukraine is that most companies that practice strategic approach to responsible business are companies with national capital, contrary to other Eastern European countries, where leadership in the CSR sphere is kept solely by subsidiaries of transnational corporations. Furthermore, transnational corporations represented in Ukraine for the most part adapt their CSR strategies to national priorities. However, none of the state owned companies has its own CSR strategy, despite the impact that these companies have on the society and economy [3].

Understanding of the CSR impact on the bottom line is very significant for its development in Ukraine, as it is business that has to take an initiative in raising CSR awareness and necessity. As the authors' survey results show only 35 % of respondents believe that CSR has an impact on the corporate financial performance (CFP), 46 % find this question difficult to answer. However, only 38 % evaluate this impact quantitatively and qualitatively.

In most cases, CSR expenses share does not exceed 15 % of companies' budgets, approximately one third of the respondents spent less than 1 % on socially responsible activities, the other 36,06 % are not sure about the answer (Table 3).

Table 3. Shares of corporate social responsibility expenses in the companies' budgets

CSR expenses' share in budget	% in total sample
Less than 1 %	31,06
1–5 %	19,03
6–15 %	13,85
16–30 %	0
31–45 %	0
46–60 %	0
More than 60 %	0
Not sure	36,06
Total	100,00

Source: developed by authors based on sociological survey.

Hence, although important changes have happened in the social responsibility awareness level since 2005, still it is very low and needs support from government. Only few companies popularize and actively implement CSR practices in Ukraine. Partially this is due to the lack of information about CSR and absence of experience, partially due to the distorted approach to CSR as a moral principle rather than an opportunity to obtain long-run sustainability.

In general, the main obstacle for the CSR development in Ukraine is companies' disinterest

in its implementation. Companies in the most part understand CSR as additional costs that have to be put into effect to enhance company's reputation. This is a problem, because rare occasions of responsible practices in the form of add-to the operational activity, in fact do not bring in

additional financial gains. Contrary to that, only well-considered strategy accepted on the management level and approaching social investment as a source of financial performance improvement will make it possible to establish strong background to enhanced CSR performance.

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ЗАСТОСУВАННЯ ПРИНЦИПІВ КОРПОРАТИВНОЇ СОЦІАЛЬНОЇ ВІДПОВІДАЛЬНОСТІ У РОЗВИНЕНИХ КРАЇНАХ ТА КРАЇНАХ, ЩО РОЗВИВАЮТЬСЯ

У статті досліджується досвід практичного застосування принципів корпоративної соціальної відповідальності у різних країнах. Аналізуються основні фактори корпоративної соціальної відповідальності у розвинених країнах та країнах, що розвиваються. Розкриваються особливості розвитку концепції корпоративної соціальної відповідальності в Україні, а також виділяються основні перешкоди для соціально відповідальної діяльності українських компаній.

Ключові слова: корпоративна соціальна відповідальність, сталий розвиток, екологічна стійкість, кліматична криза, захист прав людини, відповідальний бізнес.

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