However, this requires a change in a number of factors is required for this, for example, one of them is the current political situation in our country, not allowing the economy to fully function and depriving Ukraine of the opportunity to be a safe country in terms of investment.

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SOCIAL RESPONSIBILITY OF ECONOMIC ENTITIES IN CRISIS CONDITIONS IN THE DEVELOPMENT OF MARKET RELATIONS

The development of market relations and the practice of existence of economic entities in these conditions proves that their economic performance is directly related to the so-called "social value" of the company, which is defined as the total effect of positive impact on society from the operation of this company. and its reputation in society and its commitment to its brand of consumers of the company's results and suppliers of resources needed to ensure its operation. That is why modern management of business structures and economic entities involves the transition to the so-called "socially oriented" concept of management (Total Responsibility Management (TRM)), which involves a significant increase in attention to the requirements of various "stakeholders" under the influence of or another business entity – from environmental issues to the development of civil society in the regions of presence and the country as a whole.

The results of scientific research on these issues and generalization of practical experience of leading companies in economically developed countries, where the principles of market economy dominate, shows that in modern conditions the issue of effective business is impossible without efficient and profitable business, as well as the fact that this business must be «socially oriented». That is, business must be one that is based on a comprehensive system of protection of the interests of all participants in economic relations, guaranteed by the state and perceived by society as a whole. To be a socially responsible business entity in the conditions of a high level of economic development and sustainable welfare means, in terms of policy documents of socio-economic development of the European Union, not to limit compliance with statutory requirements and obligations, but to invest in human capital, environment and relations with all stakeholders, which is the key to sustainable development of a particular commercial organization, increase its innovation capacity and competitiveness, and society as a whole.[1]

This approach to economic growth through social responsibility as a factor of sustainable development involves the harmonization of the interests of market participants and requires, and our view, in particular:

- clear definition of «areas of responsibility» of each of the participants in economic relations;
- agreed by all parties to the relationship a mechanism for providing information about their intentions and capabilities;
- bringing each of the parties to the social dialogue to all participants in economic relations as a justification of the motives of their positions, as well as their arguments and expected consequences.

Social responsibility of business entities, in accordance with existing international regulations, is defined as the responsibility of business for the impact of its decisions and actions on society, the environment through transparent and ethical behavior that promotes sustainable development, takes into account the expectations of stakeholders, complies with current legislation and international standards of conduct, integrated into the activities of the organization and practiced in its relations with others.[2] In addition to the International Standard ISO 26000: 2010, a significant impact on the development of corporate social responsibility of various regional origins is carried out by international regulations, the main of which include such as: UN Global Compact, Account Ability 1000 Series, Global Reporting Initiative Guidelines, etc. In general, the regulatory framework in the field of social aspects of business includes about 30 international standards, guidelines, management systems, codes of conduct, certification schemes, etc., which regulate a wide range of issues in corporate governance, evaluation, accounting and reporting, etc.[3]

Thus, businesses and business owners are forced to form their own social policy, dividing it into internal social policy (i.e. policy towards entities directly

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1 Radzievska S.O. (2015) Strategies of the European Union: goal and result. Global economy: a course of lectures. Kyiv: SIC GROUP UKRAINE. Retrieved from http://lib-net.com/content/9785_Strategii_Evropeiskogo_Souzy_meta_i_rezyltat.html

2 Social Responsibility Guide ISO 26000:2010. Retrieved from https://www.iso.org/standard/42546.html

3 Mamatova T.V. (2020) International standards of corporate social responsibility: an adaptation mechanism for state control bodies of Ukraine. Public administration and local self-government: a collection scientific works. Dnipro: DRIDU NADU. 1 (4), 109-120

involved in doing business by the business entity) and external social policy (i.e. policy towards to the population of the territory in which the business operates, local governments and public administration, public organizations and contractors faced by the business entity in the course of business activities). In other words:

- the internal social policy of the business entity should focus on the responsibility of the business in relation to certain social guarantees to employees and related persons, other participants in business processes;
- the foreign social policy of an economic entity must provide for certain special methods of business activity, both in its territory of presence and in relations with the government, society and other "stakeholders".

Thus, in modern conditions of market relations development strategy of existence and development of economic entities is formed and implemented taking into account the existing obligations of these entities, which have a certain social component, and, accordingly, their responsibilities, in particular, to:

- counterparties and partners of economic entities — the responsibility to which lies in the obligations of economic entities on favorable pricing and appropriate quality of goods and services, care for the health and safety of consumers of business results, fair competition and fair advertising, compliance ethical norms of doing business, etc.;
- employees — the responsibility to which lies in the form of compliance with current legislation on labor rights and decent remuneration for work, labor protection, safety and health at work, etc., and ensuring their social protection, as well as development and necessary staff support;
- the population of the region of business operation — the responsibility to which is in the form of ensuring the normal coexistence of results and consequences of their activities and interests of residents of the regions of business presence, their environmental safety and environmental protection, economical consumption and reuse, waste disposal, etc.;
- local community and society as a whole – through cooperation and partnership with public authorities and local governments through business participation in socio-economic development of areas that affect the main activities of the enterprise or not related to the main activities (including charitable programs of social and cultural development), in support of public initiatives, civil society institutions.

The economic crisis, as a process associated with the imbalance between supply and demand for goods and services, causing a depressive process in the economic situation of a particular country, regional or global economy as a whole, significantly complicates the process of forming this strategy and its implementation. Among the factors that caused the crisis aimed at causing depressive processes in the economic situation of individual regions and the economy of Ukraine and the world economy as a whole can be mentioned as follows:

- difficult political situation in and around the country, which does not support the creation of a favorable investment climate both in the country as a whole and in individual regions and industries, in particular, without which it is impossible to renew fixed capital and invest in commercial activities and strengthen economic situation;
- almost complete absence of significant levers of influence on the development of economic processes by the centralized management system against the background of significant destruction of individual sectors of the economy and economic entities, and the rupture of economic ties between them;
- the existence of a certain imbalance between the available mass of goods and effective demand from its consumers due to excessive issuance of money and significant debt borrowing in some countries and in international financial institutions, which creates huge external and internal debt, etc.

Given the presence and development of crisis phenomena in market relations, the formation and implementation of the strategy of existence and development of economic entities requires more careful attention to the implementation of social aspects in a particular set of policies used by business. In particular, the social components of the responsibilities of economic entities, which are provided, for example, environmental policy of business structures, should focus on the problems arising from the impact of business activities on the environment and the impact of results and consequences on humans. This component of the corporate policy of economic entities should focus on the response of society as a whole and individual public associations, in particular, on this impact both in terms of preserving universal values (good health, clean environment, etc.) and in terms of view of the prospects for further operation of the business in general. Business policies in the field of industrial safety and labor protection also provide for the need to pay attention to issues related to social relations in the context of crisis trends, and so on.

The concentration of various components of social responsibility of economic entities both to market participants and to stakeholders in doing business should be reflected in the social policy of business structures in the form of a set of measures to identify, meet and reconcile the needs and interests of citizens, social groups , territorial communities, other individuals and legal entities that have (may have) influence on the activities of the business entity.

In the presence of certain crisis trends in the activities of the economic entities, the formation and formalization of internal social policy of the entity, which is carried out in the course of collective agreements, must balance on the verge of choosing between individual social measures, in order to give preference to those measures, which in the current circumstances are the most "sensitive" for business activities for the current time and the near future. Among the most common measures envisaged by the internal social policy of economic entities are, in particular, such measures as:[4]

- creation and provision of normal conditions for the implementation of labor activity and employment of the labor collective;
- ensuring a close relationship between the results of work and wages of workers as the main indicator of their income level, as well as moral and material remuneration of employees for their work;
- exceeding state social standards and preventing cases of late payment of wages and remuneration and compensation;
- care for improving the health of employees;
- providing a full range of social benefits and guarantees for employees and their families;
- development of physical culture and sports, the organization of leisure and the decision of household questions of employees of the enterprise;
- implementation of measures to support youth at the enterprise;
- providing targeted assistance to socially vulnerable groups working at the enterprise;
- providing social benefits and guarantees to former employees - veterans of the company, etc.

With regard to the set of measures to be provided by the foreign social policy of the economic entities, it is necessary to determine, first of all, especially in the context of crisis trends in economic development, the impact of these trends on individual business and its environment and the functioning of industry and regional markets, the country's economy, international economic relations, etc. Determining the priorities of foreign social policy of economic entities largely

4 Moroz O.S. (2018) Applied features of social partnership development in an industrial enterprise. Market infrastructure. 26, 298-303. Retrieved from http://www.market-infr.od.ua/uk/26-2018

depends on the extent to which business development is inextricably linked with the development of the territory and the extent of the illusory boundary between employees directly involved in the activities of the entity and their families, with the other population of the territory of the business presence, as far as the enterprise can work on the territory and be away from its problems. No less important for the formation of foreign social policy of the entity is the choice of the nature of building relationships with their parties on the basis of, in particular, such as:

- "charity" — providing certain assistance and sponsorship on the basis of relevant requests;
- "social investment" — the implementation of certain social programs by business as business projects (with a focus on the end result and subsequent evaluation of effectiveness) in exchange for certain "benefits" from the other party;
- "social partnership" — clarification and regulation of areas of participation and responsibility of each party in the joint solution of the problem.

On the other hand, in the current conditions of market relations, issues related to improving the effectiveness of social policy in general and individual social components of other policies of the entity, and the effectiveness of corporate social responsibility of business in general in terms of its organizational development in accordance with the requirements of existence in the paradigm of sustainable development. In this sense, special attention should be paid to the coordination of actions of public administration and local government for the development of socially responsible business environment, in particular:

- to form uniform rules for all business entities to conduct business activities only as socially oriented and socially responsible;
- ensure compliance by all business entities with certain rules of doing business on the basis of approved guidelines on the mechanism and criteria for classification and evaluation of business in terms of its social responsibility;
- create clear mechanisms for reconciling the interests of the parties to the social dialogue and ensuring control over the parties' compliance with the obligations and responsibilities for their implementation.

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