

ПРОЕКТ «КНЕУ ЯК ЦЕНТР МІЖКУЛЬТУРНОГО НЕТВОРКІНГУ СТУДЕНТІВ-МАГІСТРІВ»

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ENVIRONMENTAL RESPONSIBILITY OF UKRAINIAN BUSINESS

Abstract. The article analyses environmental responsibility of Ukrainian businesses in terms of economic and cultural aspects. In addition, the example of the Kyivstar corporate social responsibility is specified.

Key words: corporate social responsibility, corporate culture, environmental responsibility, cultural variables, conservancy, folklore, green office.

Аномація. У статті досліджується екологічна відповідальність українського бізнесу в економічному та культурному розрізі. Як приклад, наводиться приклад корпоративної соціальної відповідальності компанії Київстар.

Ключові слова: корпоративна соціальна відповідальність, екологічна відповідальність, модель культурних вимірів, охорона природи, фольклор, зелений офіс.

Introduction. In the context of globalization and open markets, the success of company is determined not only with the ability to find best ways to transform inputs into products and services, but also with corporation participating in solving social issues, including its Corporate Social Responsibility policy.

Corporate social responsibility (CSR) refers to doing business in an ethical and responsible way in order to achieve economic, social and environmental sustainability. Every corporation must consider consequences of its impact on society and address ethical, social and environmental concerns in its everyday business practice [1].

CSR is viewed different from philanthropy. When properly implemented, it should become ingrained in the values and culture of a company, and positively affect the way the company does business. CSR should become inherent in the mission and message of an organization and consequently hold a strong place in marketing and advertising. Companies should be aware that promoting their CSR model only benefits the company if they are already acting on their plan. Otherwise, falsely claiming to bring social change to those in need could lead to bad publicity.

Businesses that ignore corporate social responsibility run a risk to their bottom line and their brand. Having a bad reputation socially and environmentally can create serious negative effects on the overall profitability and success of a company, as nowadays consumers want to spend their money on products and services that they believe in, and engage with companies that follow ethical practices that meet their own beliefs [2].

The triple bottom line refers to an extension of the criteria used to measure organisational success. Traditionally, business success (or failure) is measured in terms of its economic performance. A business is considered to be successful if it has generated a sufficient financial return from its investments, financing activities and

operating activities. The triple bottom line takes into account three criteria for assessing organisational performance: economic, social and environmental (Figure 1).



Figure 1

The financial or economic performance of an organisation is the easiest of the three criteria to measure accurately. Traditional accounting methods take into account the inflow and outflow of resources from the business, generally including cash and finances, assets, liabilities and other easily definable business resources. The economic criteria can then be used to determine how much an organisation generates in monetary value. It can also be used to determine the net worth of the business at a given point in time.

The social performance of an organisation is somewhat more difficult to define and measure. The social criterion of the triple bottom line takes into account the impact that a business has on people within the business (employees) and people outside of the business (the community). A business applying the triple bottom line principles will act in a way that benefits the community and will ensure that people are not being exploited or endangered by the operation of the business. Social factors that should be considered include labour utilisation and wages, working conditions and contribution to community living standards.

Environmental performance is concerned with a business' total impact on the natural environment. Triple bottom line organisations aim to improve the environment where feasible, or at the very least, reduce and limit their negative impact on the environment [3].

Environmental Responsibility in Ukraine has not only economic background, but also cultural.

Professor Geert Hofstede conducted one of the most comprehensive studies of how values in the business are influenced by culture. The Hofstede's model of national culture consists of six dimensions (6-D model): power distance index (PDI), individualism versus collectivism (IDV), masculinity versus femininity (MAS), uncertainty avoidance index (UAI), long term orientation versus short term normative orientation (LTO), indulgence versus restraint (IND).

Hofstede divided the cultures (countries/societies) into two types: feminine and masculine cultures. Masculinity is seen to be the trait that emphasizes ambition, acquisition of wealth, and differentiated gender roles. Femininity is seen to be the trait that stresses caring and nurturing behaviors, sexual equality, environmental awareness, and more fluid gender roles [4].

	High Masculine	Low Masculine (Feminine)
Social norms	• ego oriented • money and things are important • live in order to work	• relationship oriented • quality of life and people are important • work in order to live
Economy	• economic growth high priority	• environment protection high priority

Ukraine belongs to feminine countries (27 points of masculinity). A low score (Feminine) on the dimension means that the dominant values in society are caring for others and quality of life. A Feminine society is one where quality of life is the sign of success [4].

In addition, Ukrainian nature is praised in many literary works, and it is not surprising. Given the features of the landscape of Ukraine, Ukraine nature is harmonious and beautiful [5]. A respectful attitude to nature is embodied in the customs and traditions of the Ukrainian people. The rules of coexistence with nature were formed for millennia. Ukrainian folk songs, legends, sayings, which reflect the unique beauty of the nature of Ukrainian land, are well known all over the world [6]. Therefore, the development of CSR in Ukraine took its own, special way.

Initially it was companies that took the lead in developing the practice of socially responsible behaviour, engaging other players (consumers, NGOs, government representatives at the regional and national levels) in such activities [1].

A recent CSR-survey shows that 78 percent of Ukrainian companies are aware of the CSR concept and the majority of companies consider CSR to be the introduction of social programmes aimed at improving labour conditions for employees, staff development and training, and charity help. What is even more interesting is that only four percent of the interviewed companies feel that it does not make any sense for businesses to participate in solving social problems. This survey proves that Ukrainian businesses know that CSR is about more than an annual charity. However, half of the companies feel that the state is not doing enough to motivate social responsibility. In Ukraine, the taxation system provides only a small percent tax deduction in relation to CSR, which can barely be considered an incentive by many businesses [7].

In 2008, the CSR Development Centre (the CSR Centre) was established in Ukraine. The purpose of the activity is to introduce social responsibility for systemic and qualitative changes in Ukraine. Currently, more than 40 Ukrainian companies are

the members of this centre (e.g. *EY, Heavenly Well, Vasil Kisil&Partners, New Post, Arterium, Obolon, 1+1 Media, Lifecell, Kyivstar*) [8].

Kyivstar is a nonindustrial business, yet, as one of the big and progressive companies, it cannot maintain aloofness from the present time threat: climate change and global warming issues. *Kyivstar* embodies its environmental responsibility through environment-friendly products and services, as well as proper technical solutions and environmental events.

The Company increases energy efficiency in the network equipment, reduces CO² emissions and reduces consumption of natural resources. *Kyivstar* volunteers take actions in 20 cities in Ukraine annually — they clean up green zones, plant trees and floral arrangements along with customers and townspeople [9].

To minimize negative impact on the environment a lot of Ukrainian companies also have implemented the «Green Office» concept, a series of measures that promote the rational use of natural resources.

Green Office is suited to all sizes of offices and all kinds of organisations, whether they are in the private or public sector. Even small actions can make a difference if enough people are involved.

Office premises hold a key position in energy consumption and in environmentally sustainable working methods and solutions. Green Office motivates office staff to act in an environmentally friendly way in everyday tasks. The scheme not only improves environmental awareness and creates savings, but also it benefits company as well as the environment [10].

Conclusion. The study of the environmental responsibility in Ukraine becoming a part of national and business culture is of a particular interest. The level of business transparency in Ukraine is low and the number of relevant publications is small. The issues for our further research are: the concept of environmental responsibility, its importance, reasons for corporations to engage in these activities, description of evolution of environmental responsibility concept around the world and in Ukraine in particular, allocation of the latest trends in development of environmental responsibility in Ukrainian business sphere.

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THE IMPACT OF HINDU PHILOSOPHY ON THE BUSINESS BEHAVIOUR IN INDIA

Abstract. *The present article deals with the main concepts of Hindu philosophy and the way they pre-determine the demeanor of Indian businesspersons. It contains the review of the basic philosophical schools and the values distinguished within each of them. Its prior objective is to investigate the causality between these values and business culture. The results of this investigation serve for creation and substantiation of the pattern of business demeanor in India.*

Key words: *philosophy, Indian culture, business behaviour, collectivism.*

Statement of the problem. Nowadays a rapid development of co-operation between the representatives of various countries and, hence, the representatives of various cultures is observed. Since the number of the countries embraced by globalization annually is increasing, separate economic agents feel an urgent need for establishing new cross-cultural rapports. In such conditions, one of the most necessary values is mutual understanding. In order to reach it, both parties need to realize the incentives and motives, which guide the behaviour of the counterpart. The latter is determined by the wide range of factors. These factors include philosophical thoughts and convictions, which are widespread within a separate region and have a lot of proponents. Conceivably, in such countries as India, China, Japan and others, philosophy contributes greatly into the national style of doing business and good