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**FINANCIAL AND INSTITUTIONAL PROMOTION
OF CSR IN THE EUROPEAN UNION**

The article is devoted to the substantiation of the necessity of institutional support for social responsibility of business and use of number of financial incentives for compliance of enterprises with socially responsible behaviour. Social policy of the state includes certain legislature measures that eliminate inequality and social benefits in the distribution that objectively exist in the market economy. Historically three basic models of the state social policy, namely liberal, corporate and public, are developed.

The liberal model of social policy is based on the principle that assumes personal responsibility of every member of the society for his welfare. In this case, the role of the state in the immediate implementation of the social policies is minimized. The basis of the corporate model of social policy is the principle, which stipulates that responsibility of employer is directly responsible for his employees. Creating a system of lifetime employment, the employer encourages his employees to exercise a maximum labour input, by offering them various types of public guarantees, pensions, medical care payments, recreational services, education and so on. The basis of the social model of social policy is the principle of solidarity, which

means the responsibility of the whole society for its members. It is a redistributive model of social policy, according which the rich pay for the poor, the healthy – for the sick, the young – for the old.

However, it is established that in practice ways to implement the ideas for the motivation of socially responsible business behaviour and the mechanisms of social policy may be varied. None of the models of the social state is ideal, each of them has its advantages and disadvantages, but overall the limits of the state social policy is defined by its resource capabilities, features of economic policy.

According to the research result it is determined that the enquiry from the state in the form of integrated tools for institutional and financial support of the business social responsibility will have a positive impact on intensification of entrepreneurship activity in general. According to the results of the international research it is found that the reputation of organization demonstrating socially responsible behaviour is improved by 2 times, in particular by improving the product quality, the reducing capacity resources, improvement of socio-psychological climate in the team.