

## SECTION 8. MONEY, FINANCES AND CREDIT

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## **ROLE AND IMPORTANCE OF CORPORATE SOCIAL RESPONSIBILITY AS A COMPONENT OF FINANCIAL MANAGEMENT OF ENTERPRISES**

In the current economic environment there is a changing nature of business and the idea of its purpose and basic functions. In the information, post-industrial society with greater force declares itself searching and building a civilized model of relations between business and society, and therefore becomes obvious social need for socially responsible business.

The study aims to review and deepening of theoretical positions essence of CSR, analysis of the main reasons of social responsibility in business management, formation of the principles of social responsibility and development of scientific recommendations for their implementation.

Social responsibility – responsible for the impact of its decisions and activities on society and the environment through transparent and ethical behaviour that: contributes to sustainable development, including health and the welfare of society; takes into account the expectations of stakeholders; violating and consistent with international norms of behaviour; integrated into the activities of the entire organization applies in its relations.

Corporate social responsibility is not just a modern concept that underlies PR-activities of enterprises. This is a necessary part of the operation of any successful entity,

whose aim is to achieve a leading position in the market and their safety. Corporate social responsibility – a voluntary contribution of business to society, which is carried out through social investments aimed at professional development and social protection of personnel, support for health, sports, culture, education, environmental protection and so on.

Corporate social responsibility contributes to more effective achievement of their strategic objectives enterprises because it allows making long-term investment in creating a favourable social environment.

Properly implemented concept of CSR can provide a number of competitive advantages for enterprise, including: better access to capital and markets, greater sales and profits, improved decision-making and risk management, saving operating costs, increase in productivity and quality, efficient base of human resources, strong reputation, greater customer loyalty and more.

Adhering to the principles of social responsibility, organization maximizes the score in the long run, on the one hand, to motivate adherence to corporate social responsibility, and, on the other, has a positive effect on society as a whole. Thus, the business sells its basic needs for survival, economic security and stability.