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# SOCIAL RESPONSIBILITY IN THE CONTEXT OF MANAGEMENT OF COMPETITIVE LABOR POTENTIAL

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*Formulation of the problem.* It is possible to carry out a deep modernization of the economy and raise it to a level that will ensure the opportunity for domestic manufacturers to compete decently on foreign markets with highly developed countries of the world only if there is a corresponding competitive labor potential of the country. The purpose of the article is to determine the mechanisms contributing to the increase of social responsibility of the participants in the process of managing competitive labor potential. The methodological basis of the research was logical methods of information processing, methods of system analysis, abstract-logical method for formulating conclusions. The main hypothesis of the research is that when building an effective labor potential management system, the basis for building the competitiveness of Ukrainian enterprises is formed. The organization of the relevant risk management information system should be based on a process approach. Presenting main material. The main aspects of social responsibility at various stages of labor potential formation are considered. An assessment of the degree of state social responsibility and the responsibility of business representatives to society is given. The essence of the concept of competitive labor potential of regions, centers and mechanisms of strengthening social responsibility in the regions of Ukraine are defined. Originality and practical significance of the research. The competitive labor potential of the region is understood as a set of qualitative and quantitative characteristics of the able-bodied population living in the given territory, which determine the maximum capabilities of the region for the production of high-quality competitive products and the provision of services in accordance with the demand of regional, national and international commodity markets; development of infrastructure, the sphere of education and art, activation of innovative activities. Conclusions and prospects for further research. Increasing social responsibility in the context of the management of competitive labor potential requires the introduction of new bills aimed at the detinization of incomes and relations in the sphere of public employment, encouraging employers to comply with the norms of labor legislation, which will ensure the protection of the constitutional right of citizens to adequate remuneration for work regardless of the place of residence and field of activity.

#### Key words:

management, social responsibility, labor potential, competitiveness, socio-economic development.

### СОЦІАЛЬНА ВІДПОВІДАЛЬНІСТЬ У КОНТЕКСТІ УПРАВЛІННЯ КОНКУРЕНТОЗДАТНИМ ТРУДОВИМ ПОТЕНЦІАЛОМ

Постановка проблеми. Здійснити глибоку модернізацію економіки і підняти її на рівень, що забезпечить можливість вітчизняним виробникам гідно конкурувати на зовнішніх ринках з високо розвинутими державами світу можна лише за умови наявності відповідного конкурентоздатного трудового потенціалу країни. Метою статі полягає у визначенні механізмів, що сприяють підвищенню соціальної відповідальності учасників процесу управління конкурентоздатного трудового потенціалу. Методологічною основою дослідження стали логічні методи обробки інформації, методи системного аналізу, абстрактно-логічний метод для формулювання висновків. Основна гіпотеза дослідження полягає в тому, що при побудові ефективної системи управління трудовим потенціалом, формується підгрунття для розбудови конкурентоздатності українських підприємств. Організація інформаційної системи управління відповідними ризиками має здійснюватися на основі процесного підходу. Виклад основного матеріалу. Розглянуто основні аспекти соціальної відповідальності на різних етапах формування трудового потенціалу. Дано

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оцінку ступеню державної соціальної відповідальності й відповідальності представників бізнесу перед суспільством. Визначено сутність поняття конкурентноздатного трудового потенціалу регіонів, центри й механізми посилення соціальної відповідальності в регіонах України. *Оригінальність та практична значимість дослідження*. Під конкурентоздатним трудовим потенціалом регіону розуміється сукупність якісних та кількісних характеристик працездатного населення, що проживає на даній території, які визначають максимальні можливості регіону щодо виробництва високоякісної конкурентоспроможної продукції та надання послуг відповідно до попиту регіонального, національного та міжнародних товарних ринків; розвитку інфраструктури, сфери освіти і мистецтва, активізації інноваційної діяльності. *Висновки та перспективи подальших досліджень*. Підвищення соціальної відповідальності у контексті управління конкурентоздатного трудового потенціалу потребує впровадження нових законопроектів спрямованих на детінізацію доходів та відносин у сфері зайнятості населення, стимулювання роботодавців дотримуватися норм законодавства про працю, що забезпечить захист конституційного права громадян на належну винагороду за працю незалежно від місця проживання та сфери діяльності.

#### Ключові слова:

менеджмент, соціальна відповідальність, трудовий потенціал, конкурентноздатність, соціально-економічний розвиток.

**Formulation of the problem.** The formation of a competitive labor potential of the regions of Ukraine is a strategic task, the successful solution of which requires the implementation of the chosen strategy of the country's economic and social development, which is aimed at the approval of European principles and mechanisms of a socially-oriented structural and innovative model of economic development.

Deep modernization of the economy and raising it to a level that will ensure the opportunity for domestic manufacturers to compete adequately on foreign markets with highly developed countries of the world is possible only if the country has a correspondingly competitive labor potential.

From the perspective of a systemic approach, the process of forming a country's competitive labor potential should be considered multi-level: at the level of an individual, a separate family, a labor team, an enterprise, an industry, a region, and a national level. Central in scientific research is most often the problem of increasing the competitiveness of the company's personnel and the competitiveness of the ablebodied unemployed person in the labor market, and the formation of the competitive labor potential of the region is currently an insufficiently studied and important issue.

The relevance of the problem of increasing social responsibility for the formation of a competitive labor potential of the regions is primarily determined by the regionalization of the national economy, which involves the growth of selfmanagement of the development of the regional economy, the concentration of power and economic independence in the regions. The formation of regions as independent subjects of economic relations gives rise to many contradictions, the overcoming of which becomes possible only through interregional competition, and the winners in such competition are precisely those regions whose competitiveness differs quantitatively and qualitatively from others [1, p. 6].

Competition as a phenomenon generated by the market economy does not solve social problems, but only exacerbates them. Under such conditions, the problem of social responsibility is actualized at all levels - national, regional, industrial and personal

Analysis of the rest of the research and publications. Many works of domestic scientists are devoted to defining the essence of social responsibility A. Amosha, L. Biletska, N. Golovko, O. Polyakova, O. Plahotny, I. Semyakin, O. Rostygaeva, R. Yagutyan, R. Khachaturova, N. Fokina, who comprehensively considered the content of the category, defined the types of social responsibility, but its role and significance in the formation of the competitive labor potential of the region remain poorly covered.

So, **the purpose of the article** is to determine the mechanisms that contribute to the increase of social responsibility of the participants in the process of forming a competitive labor potential.

**Presentation of the main research material.** According to the general scientific opinion, social responsibility integrally reflects a certain relationship between an individual and society, but a more precise definition of this term is still being debated among scientists. As O. Rostigaev notes, social responsibility is an expression of - 56 -

the entire multifaceted nature of social relations and a generalized expression of all forms of responsibility. The specificity of specific types of responsibility is determined by the nature of those social relations within which they arose and exist in their own qualitative certainty [2].

In the context of this scientific study, an opinion is of interest O. Plahotny, who believes that the concept of responsibility combines two forms, two different types of responsibility: 1) responsibility as society's reaction to an individual's behavior (social responsibility); 2) responsibility as a system of individual responses to society's demands (personal responsibility). The author emphasizes that there is a relationship between society and the individual. On the one hand, society imposes on the individual the obligation to perform socially useful actions, and on the other hand, it is obliged to assist the subject in the exercise of his rights and duties and is responsible for this.

From the point of view of theory, such a statement is quite understandable and acceptable, but in what practical way can society meet or contribute to solving the problems of a particular person? If society is an organized set of people united by their characteristic relations at a certain stage of historical development, then the level of public social responsibility is determined by the level of social responsibility of each member of this society and the level of development of relations formed between members of society in the course of life.

Currently, the Ukrainian society is witnessing the driving processes of destabilization, and under the slogans of democracy hides individual usefulness and complete social irresponsibility on the part of representatives of state power and business.

There is a scientific opinion that the cause of these processes lies in the historical features of the development of entrepreneurship in Ukraine, which exert a decisive influence on the behavior of modern entrepreneurs. The highly centralized and bureaucratized state mechanism, which was built mainly by foreigners during different periods of domination, and whose social norms differed from Ukrainian ones and were not accepted by them, from time immemorial saw a danger in the independent entrepreneurial class, contributing in every possible way to its complete subordination to the state. Personal wealth was associated with loyalty to this or that powerful person, the ability to satisfy him and the ability to avoid his anger. As a result, at one

time merchants and industrialists developed a desire for quick and imperceptible to the eyes of an official investment of capital, for economic behavior that provides income not through investment in production, but through receiving benefits and subsidies from the state [3].

A sociological study conducted by the analytical group "Center" in Ukraine showed that about 48% of surveyed Ukrainians believe that the main reason for tax evasion is the spending of budget funds on comfortable premises, prestigious cars and high salaries for representatives of higher state authorities, while the needs of the people are ignored.

About 41.3% of respondents believe that citizens do not pay taxes because the existing tax system is unfair to those who earn their money honestly.

Until now, Ukrainian society is dominated by a false concept, which boils down to the fact that taxes should not be paid, but they should be collected or collected. In this regard, at the same time, it is necessary to build the philosophy of taxpayers and increase the responsibility of the state authorities for the distribution of budget funds.

A just society is a society with high social responsibility, in which there is no gap between the rich and the poor, where a person is socially protected and has a choice of the way to realize his labor abilities and a guarantee of receiving a decent payment for his work.

Work is one of the main elements that define society, that is why social responsibility in the context of the formation of competitive labor potential of regions was chosen as the object of this study.

The formation of the competitive labor potential of the regions should be considered as a step-by-step process that begins from the moment of a person's birth, followed by the formation of personal labor potential in the family circle, institutions of preschool education, receiving secondary, technical and higher education, in the labor team (within a separate enterprise, organization of a firm or private business, etc.) and at the level of the region. At different stages of the formation of labor potential, the social responsibility of the participants of this process increases or decreases according to the role of the subject, which he performs at a certain stage.

The conducted scientific study of problems in the field of labor and, in particular, increasing the competitiveness of the labor poten-



tial of the regions made it possible to determine the centers of strengthening social responsibility (Figure 1).

As for raising social standards by the state, we consider it necessary, first of all, to bring the salary of employees of the unified tariff system of wages into line with the established minimum wage and the amount of the living wage, to raise its level to the level that has developed in industry.

In order to increase the prestige of the work and wages of employees of the public sector, the Government Resolution (from 11.05.2011 No. 524) was adopted, according to which the salary of an employee of the 1st tariff category of the UTS was increased, as well as the inter-qualification (inter-position) ratio in the salary of employees of the public sector was partially restored spheres according to 1-7 tariff categories.

But such minimal wage increases in the budgetary sphere will not solve the problem of poverty in a country with a strong stratification of the population.

In Ukraine, where the income level of the richest is difficult to establish due to their shadowy nature, according to official data, the income ratio of the richest 10% of people to the poorest 10% is 9:1. while experts believe that the real ratio is close to the South American level (58:1 in Brazil, 35:1 in Argentina), that is, somewhere at the level of 47:1. In comparison, we can say that in the EU countries, where the state policy is aimed at preventing the sharp stratification of the population, this ratio is 5(6):1 (in the Scandinavian countries).

The topic of population income is inextricably linked with the topic of employment. The level of reproduction of the labor potential and the level of employment of the population are decisive in the system of regional development criteria [4].

The problem of ensuring the employment of the population is key in the policy of socioeconomic development of the region and a significant factor affecting the competitiveness of the labor potential.

According to the results of the statistical analysis, the highest level of employment of the population in Ukraine as of June 2021 is observed in the cities of Kyiv and Sevastopol and the Autonomous Republic of Crimea (respectively: 64.1, 62.1, 61.3 of the population aged 15-70 in percent to everything). The lowest level of employment was found in the Ternopil and Ivano-Frankivsk regions (respectively, 55.0, 52.9 of the population aged 15-70 as a percentage of the total).

The issue of regulating population employment is in the sphere of state social responsibility and according to the Law of Ukraine "On Population Employment" should be resolved through the implementation of investment and tax policy measures aimed at the rational allocation of productive forces, increasing the mobility of workers, creating new technologies, encouraging entrepreneurship, creating small enterprises and the application of flexible work regimes and work at home, other measures that contribute to the preservation and development of the workplace system [5].

The labor market in Ukraine is generally characterized by low economic activity of the population. Among the main reasons, the most significant are the significant lag behind the price of labor power from its cost, unsatisfactory working conditions, imperfect state support mechanisms for the entrepreneurial initiative of citizens and the creation of a favorable business environment.

Today, in Ukraine, the specific weight of labor costs in the cost of production is almost 9%, while in the countries of the European Union it reaches 45% [7].

The assessment of the demographic situation serves as an integral indicator of the state's attitude to ensuring the vital needs of its citizens.

The research results showed that demographic development is determined by reasons typical for most regions. One of the main reasons for this is the low birth rate, which has been steadily decreasing in recent years.

Compared to 2019, the volume of natural decline in 2020 increased by 6.3 thousand people, or from 4.2 to 4.4 people per 1,000 inhabitants. Natural population decline was observed in 23 regions of the country, and natural population growth was registered only in Kyiv, Zakarpattia, Rivne, and Volyn regions (3,457, 3,354, 2,077, and 486 people, respectively).

Population migration has a significant impact on the formation of the labor potential of regions. In 2010 in Ukraine, an increase in migration was recorded in 11 regions, and a decrease in migration in 16 regions.



*Source:* developed by the author

Economically developed regions are usually the most attractive for migrants. It should be noted that the majority of Ukrainians work abroad illegally, without an employment contract and without social protection.

During the years of reforms, the socioeconomic differentiation of Ukraine's regions has significantly increased. Therefore, regional policy should be aimed at smoothing the uneven development of the territories of Ukraine and should consist in a differentiated approach of the state to regions with various socio-economic problems. It is necessary to identify growth points and depression points for which the state



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creates appropriate conditions for development. After all, the key problem of state regional policy is also the introduction of mechanisms to stimulate the economic and social development of depressed areas. A well-developed domestic market and strong small and medium-sized businesses guarantee the country's economy's stress resistance to external threats and challenges. But the government of our country is able to eliminate most of these factors. The integration of Ukraine into the European community will give our country the opportunity to cooperate with the European Investment Bank. To a large extent, the future of small and medium-sized businesses in Ukraine depends on the improvement of the legislative and regulatory framework of the country, which will affect the need for credit resources of this sector of the economy.

**Conclusions and prospects for further research**. The construction of a democratic society has so far created only conditional freedoms for citizens and has not made most of them responsible for their actions before society.

Increasing social responsibility in the context of the formation of a competitive labor potential of the regions requires the introduction of new bills aimed at the detinization of incomes and relations in the sphere of employment of the population, encouraging employers to comply with the norms of labor legislation, which will ensure the protection of the constitutional right of citizens to adequate remuneration for work regardless of place of residence and field activity

An alternative option for solving this problem may be the development and implementation of state programs for supporting and stimulating business social responsibility (CSR), which operate in most EU countries.

In fact, such programs are not social responsibility programs in the full sense of the word. The main goal of companies operating in market conditions is profit maximization, not social responsibility. It is about providing PR support for such initiatives, offering them to society as something aimed at increasing social well-being and prosperity.

The welfare state is the highest achievement of social humanism and progress. This should be realized and recognized by every citi-

Стаття надійшла до редакції : 25.07.2022 р. zen, social group. And at the state level, it should be legalized that at the center of all decisions is a person with his state-guaranteed rights and freedoms.

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