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DEVELOPMENT OF SOCIAL STRATEGIES AT ENTERPRISES OF UKRAINE

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The issue of the day of social sphere is examined on a microlevel in the article. Essence and role of social strategy is analysed in providing of effective activity of enterprise. Basic components and approaches to social strategy in control system by an enterprise is defined and reasonable.

Key words. Social sphere, strategy, social strategy of enterprise, algorithm of development of strategy, components of social strategy.

The growing mutual dependence between economy and social services, interpenetration of economic and social spheres formed an objective basis for emergence and development of social strategy as a peculiar instrument of management.

Specifics of functioning of the modern organizations is that they carry out their activity under conditions of formation of socially-oriented market economy therefore social strategy obtains a role of one of the main strategies whose task is identification and satisfaction of requirements and expectations of groups of people interested in the activity of the enterprise: owners, employees, state and local authorities, and also representatives of various informal movements and organizations (labor unions, ecologists).

Problems of the social sphere development have been reflected in scientific works of many Ukrainian scientists. Significant contribution to development of certain aspects of this problem was made by V. Geets, T. Kachala, V. Kutsenko, A. Melnik, S. Pakulina, A. Topchy, etc. At the same time it should be noted that in the majority of works mainly macroeconomic problems in the social sphere have been investigated, thus not enough attention was paid to issues of social strategy implementation at the factory level.

The aim of this article is to define the essence of social strategy and its role in the enhancement of efficiency for modern organizations.

We consider social sphere of an enterprise as a set of social processes and relations of internal and external environment of a company. On the basis of such understanding, it is naturally interconnected with economic subsystem of the organization and becomes its integral part - the fact that leads to impossibility of achievement of high efficiency and balance of business management in a separation from development of the social sphere.

Accentuation of social strategy as of an independent functional strategy is needed as at present both central and regional authorities are unable to supply citizens with a necessary set of goods and services, providing their normal activity. In these conditions an organization is compelled to pay more attention to the solution of social problems, compensating defects of state and local governments in this sphere.

Importance of social strategy development is defined by certain reasons:

- Ignoring laws of development of system, violation of principles and regularities of management;
- Low level of humanization of administrative culture;
- Absence of innovative social action program;
- Absence of anti-recessionary social action program;
- Need of improvement of labor life quality;
- Inefficient use of social potential;
- High necessity in image modeling;
- Need for shaping and development social capital of a firm;
- Low efficiency of social investments of the enterprise;
- Diversity of processes of corporate social responsibility.

We consider social strategy as a complex system of ways to reach long-term social goals of a company, interconnected with its economic strategy, in the long term creates conditions for building and effective use of social capacity of the enterprise

and takes into account the contextuality of factors of internal and external environment.

Social strategy is the leading direction for development of the social subsystem of an enterprise and of each employee as structural elements of the society. Unlike social policy, it is developed under deficiency of resources or changes in the business environment and provides the analysis of various options of actions aimed at choosing the best alternative for implementation of social priorities and ways of development which can be really provided through available resources.

The complex of social tasks of the organization can be indicatively presented as follows:

1. Social tasks which have to be solved directly within the organization in favour of all (or of the majority) members of the staff. That is improvement of work conditions, of rest, of relationship in the staff, of the form, the size of salary and other matters which directly influence the character of social and production relations which allow to judge the level of necessary social conditions.

2. Social tasks characterizing the level of development of objects of social infrastructure at an enterprise in which certain workers and local authorities are most interested. That is provision of well-planned housing for employees of the enterprise, existence of preschool institutions, recreation and medical institutions for workers and members of their families, existence of educational institutions, etc. This group of social tasks can enhance the motivation of workers to improvement of social and economic indexes of their production - economic activity and performance of corporate strategy of the organization.

Owing to the fact that social strategy can be implemented both in internal and in external environment of an enterprise, we defined its two main types:

Internal (aimed at the development of the social sphere of an organization) - which is a system of measures and long-term plan of action of the enterprise for the purpose of providing conditions for effective use and development of its social potential as well as competitiveness enhancement.

External (which defines organizational behavior of the company in relation to its environment) - which is a set of actions of a company for formation of relationship with subjects of strategic interaction, defines conditions and rules of coexistence in economic system as well as reaction to various events and processes.

We consider that social strategy has to be developed in the form of an independent action program coordinated with corporate and business strategy of the organization. Depending on means of such coordination two approaches to formation of social strategy are possible.

The first one assumes that development of social strategy is carried out in full accordance with economic strategy, therefore, has functional character and provides the strategic production objectives as well as functioning of all business processes of the organization in the long run. Thus, social strategy holds a specific position in hierarchy of strategy of an enterprise and is characterized by the following:

- a) it is related to functional type of a strategy very relatively as the company is a social and economic system consisting of two equivalent subsystems;
- b) both heads and the staff of the organization have to participate in formation of social strategy;
- c) implementation of social strategy covers all levels and structural units of the enterprise.

The other approach is focused on purposes, provides for the development of internal and external social strategy as independent action programs which define the general line of company development, that is influencing on choice of economic strategy. Thus internal social strategy is a system of measures and the long-term action plan of the enterprise aimed at provision of conditions for effective use and development of its social potential as well as competitiveness enhancement.

Strategy of organizational behavior of the enterprise in external environment as set of actions of the company for shaping of relationship with subjects of strategic interaction, defines conditions and rules of coexistence in economic system as well as reaction to various events and processes. For development of proper social strategy

which considers variability of external and internal environment, certain phases need to be passed: [1, p. 181]

1. Formulation of social mission, strategic social objectives and tasks of the organization.

2. Carrying out the complex analysis of the internal and external social sphere of the organization, analysis of economic strategy.

3. Development and analysis of strategic social alternatives, choice of the strategic lines for development of the social sphere of the organization.

4. Development of a complex of strategic social projects, programs, plans and budgets.

5. Development of organizational actions in order to ensure implementation of social strategy.

6. Assessment of developed and implemented social strategy.

The main components of social strategy domestic for local enterprises can be the following.

I. Strategy of development of staff capacity of the enterprise.

Each enterprise has to represent accurately how and in what lines it shall develop professional and creative abilities of its staff which is the major factor for determining the potential for success. At any option of basic development strategy of an enterprise it is crucial to consider by what means of what human personnel it can be possibly implemented. Development of basic strategy has to be carried out taking into account present and future possibilities of the staff. Development strategy for staff of an enterprise is connected with practical implementation of various aspects of human resource management. We believe that this strategy has to be considered as the continuous process including the following elements.

1. Planning of staff needs of an enterprise during which it is necessary to consider its both quantitative (the size of the staff) and qualitative characteristics

2. Strategy of staff shaping of an enterprise which has to provide carrying out intensive researches in labor market in advance to estimate possibilities of own

staffing.

Each enterprise has to watch closely his own image in the labour market. Image turns into a decisive factor of appeal of the enterprise, defines its chances to attract new employees. It should be noted that these chances are much higher at the enterprises with a rather well adjusted system of stimulation of the staff.

3. Strategy of staff development of an enterprise which has to consist in achievement of the maximum compliance of opportunities of an employee to requirements which are imposed on him. For this purpose the staff of an enterprise needs respective conditions to be created. First of all, it concerns providing conditions for staff development on workplaces. In this regard development of staff training and retraining strategy management, creation of necessary conditions for development of creative activity of workers and self-realization of a personality in the course of the professional growth and career pursuance is of particular importance. Moreover, development of the staff has to be closely connected with the general organizational development of an enterprise.

4. Strategy of use and preservation of the staff which has to provide specific fixing of employees at the enterprise and stimulation by means of corresponding tools of return of the personnel and increase of productivity. Along with material stimulus, there is more weighed concept of work incentives coming to the forefront - the organization of working hours, increase in possibility of personal development, expansion of participation in communication process, etc. Similar stimulation will promote development of business spirit and innovative activity of the staff. In this regard development at the enterprise of a special motivational mechanism directed at individual requirements and interests of workers is of particular importance, and as a result defines their behavior in the course of work. As the main components of the motivational mechanism it is possible to refer to:

- Internal biosocial factors of behavior motivation;
- External incentives of economic behavior.

5. Motivational mechanism. In general a motivational mechanism at an

enterprise can include implementation of the following consecutive procedures:

- Justification and choice by the administrative worker of purposes and problems of motivational activity at the enterprise;

- Choice of a specific model of a motivational mechanism on the basis of the analysis and an assessment of internal factors of motivation and external incentives of economic behavior of employees of the enterprise. It should be noted that the level of satisfaction of needs of labor staff members of an enterprise depends on the correct statement of purposes and on choice of ways of activization of factors of behavior motivation, of extent of understanding and acceptance by subordinates of the motivating influences from their Head.

6. Strategy of staff reduction of an enterprise which provides development of carefully differentiated tools of staff reduction.

II. Basic social strategy of the enterprise.

This strategy consists in ensuring a complex development of the social sphere of the enterprise which can include the following main components.

1. Improvement of social structure of staff of the enterprise. On the basis of analysis and assessment of social and qualification structure of employees of the enterprise, considering the purposes and the planned results of other functional strategy, the main lines in activities in the social sphere both in production staff in general and in separate social groups are defined (women, youth, workers, employees, etc.).

2. Improvement of labour conditions and labor protection, improvement of health of workers. Development of this section of basic social strategy of the enterprise has to be carried out taking into account specifics of production which define working conditions, nature of professional traumatism and occupational diseases.

3. Improvement of domestic and welfare conditions of employees and their families. In this section of basic social strategy main objectives and means are determined by formation and improvement of social infrastructure of the enterprise.

Within development and implementation of social strategy, target programs for the solution of the majority of priority problems of social development of the enterprise can be defined. Therefore, e.g., such target programs as "Health", "Housing", "Mother and child", etc. can be developed.

4. Social security of employees of the enterprise. In this section of strategy of the enterprise, some means from corporate profit can constitute additional remunerations to working pensioners, women-mothers can be introduced, to decrease the cost of the goods and services realized within social infrastructure of the organization.

Financial support (budgeting) of the social strategy of an enterprise can be shaped in several ways.

First, the management of the company justifies and determines the amount of funds for social development that is based on the available resources.

Second, the budget planning of social strategy of an enterprise can be based on the percentage from revenue.

Third, budget planning for social strategy of an enterprise can be based on specific aims and means necessary for the implementation of specific social events.

Choice of a particular method of study and budgeting of social strategy should be carried out individually, depending on the specifics of a particular company and should be defined by its board.

The efficiency of social strategy of an enterprise can be defined as the final social result obtained in a least-cost and as soon as is practicable. A rather advisable criteria of social outcomes may be the regulation and modeling of social processes. Social norms are a kind of sociological techniques for characterization of practicable state of social processes that are based on consideration of the objective laws of social development. [2]

The development of market relations provided domestic enterprises with opportunities for self-production, financing and investing activities. Along with many new prospects, economic agents faced the threat of financial insolvency as a result of negative external and internal factors of doing business. Unfortunately, not all

organizations have been prepared for this - in present time numerous industrial enterprises are unprofitable.

Bankruptcy risk is a probable danger of deterioration in the welfare of workers due to inability of the employer to meet the claims of creditors on monetary obligations, compulsory payments and social programs.

First, the risk of bankruptcy is a massive risk of social origin, which a significant part of the employed population is subjected to. Social origin of bankruptcy risk is confirmed by the existing economic structure in the society, allows for the possibility of bankruptcy and, consequently, the loss of livelihoods, workers of bankrupt enterprises.

Second, according to the authors, the deterioration of workers' welfare is manifested in the deterioration of all life parameters, the inability to satisfy not only material but also social and spiritual needs. Social factors of the deteriorating financial condition of enterprises are presented in Table 1.

Table 1

Social factors of the deteriorating financial condition of enterprises

External factors	Internal factors
1. Increasing labor supply	1. Inefficient production management
2. Decline in real income of the population	2. Low professionalism and lack of experience of administrative staff
3. State of world commodity markets	3. Absence of a highly skilled workers training system
4. Level of state support of entrepreneurship	4. Inefficient social investments
5. Change of consumer preferences	5. Ineffective financial management
6. Destructive social policy of the state	6. Disadvantages of social policy
7. Absence of stimulating function of tax policy	7. Poorly planned system of material, moral and career motivation
	8. Absence of corporate culture

Therefore, the above mentioned features include the need to develop and implement anti-crisis social strategy.

The anti-crisis strategy for social enterprise is a part of the general anti-crisis strategy. The principles of the anti-crisis strategy in the social process of financial rehabilitation may include:

- compliance with established laws and norms of collective agreements in the field of social and labor relations;
- the maximum possible preservation of the workforce, jobs with competitive remuneration, social benefits and guarantees to employees;
- ensuring safe working conditions and a high level of social conditions in the workplace, based on the priority of safety of workers and preservation of their health;
- commitment to fulfil obligations on professional and cultural development of employees;
- taking into account the interests of all parties interested in the preservation of the company.

The anti-crisis social strategy of an enterprise can be viewed through the following lines:

The first line which is interaction with the staff of the insolvent company, motivation of employees of enterprise in crisis, provides for the implementation of measures which aim to preserve material and moral incentives for employees for continuation of the employment relationship with the company. To do so we suggest the following.

1. In order to strengthen the social protection of workers of insolvent enterprises, it is suggested to make any wage arrear as well as outstanding contributions to the state budget the social insurance funds, out of turn.

2. To preserve full set of social benefits that workers were able to use at a financially stable enterprise

3. Upon restructuring of production to steadily comply with the requirements of the Labor Code of Ukraine regarding offer for an employee of other available work, and in the absence of such - the payment of appropriate remuneration to this employee. Giving employees a certain amount of working time (e.g., 8:00 per week) for search for a new job. Encouraging of its own employees by career development.

Staff development should include the following activities.

1. Preservation of long-term educational programs, such as training in

specialized Universities. In order to alleviate the financial burden of long-term leaning process, it can be transferred to a remote basis.

2. Continuation of the work with target groups: mentoring programs, movements of young professionals, skills transfer courses. As a rule, they do not require heavy material costs as they operate in the premises of enterprise and after working hours.

3. Social adaptation to restructuring can be expressed in the provision of workers benefits of starting their own small business. Safety at work may include:

- Support of conditions for carrying out of the social control of labor protection, functioning of technical labor inspectorate and authorized institution.
- Implementation and support of targeted programs of mode of life in the workplace, on the content of cultural and domestic sphere.

Thus, the implementation of offered recommendations creates prerequisite to improve the stability of the staff and level of commitment of workers of the organization due to increasing labor satisfaction and quality of working life; to reduce turnover of labor and to ensure growth in labor productivity through enhanced internal social potential; to optimize social investment and non-financial risks of the enterprise; to increase sales and market capitalization of companies on the basis of formation of socially responsible image, and, in general, it will allow to move from poorly interconnected, randomly distributed in time and under-developed activities, projects and programs related to external and internal social problems of economic entities organizations in a holistic, scientifically-based system of innovative long-term social changes.

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