

DOI: 10.55643/ser.2.52.2024.561

Galyna Azarenkova

D.Sc. in Economics, Professor, Head of the Department of Banking and Financial Technology, V.N. Karazin Kharkiv National University, Kharkiv, Ukraine;
e-mail: g.m.azarenkova@karazin.ua
ORCID: [0000-0003-0101-2989](https://orcid.org/0000-0003-0101-2989)
(Corresponding author)

Serhii Azarenkov

PhD Student of the Department of Banking, Odesa National University of Economics, Odesa, Ukraine;
ORCID: [0000-0002-1159-8699](https://orcid.org/0000-0002-1159-8699)

Petro Tarabanovskiy

PhD Student of the Department of Finance, Banking and Insurance, Lutsk National Technical University, Lutsk, Ukraine;
ORCID: [0009-0003-2861-5189](https://orcid.org/0009-0003-2861-5189)

Olena Golovko

Candidate of Economy Sciences, Associate Professor of the Department of Banking and Financial Technology, V.N. Karazin Kharkiv National University, Kharkiv, Ukraine;
ORCID: [0000-0001-6502-4562](https://orcid.org/0000-0001-6502-4562)

Kateryna Kalinina

Senior Specialist of Financial Control, AB-Inbev, Kharkiv, Ukraine;
ORCID: [0009-0008-1453-3648](https://orcid.org/0009-0008-1453-3648)

Received: 21/05/2024

Accepted: 13/06/2024

Published: 30/06/2024

© Copyright
2024 by the author(s)



This is an Open Access article distributed under the terms of the [Creative Commons CC-BY 4.0](https://creativecommons.org/licenses/by/4.0/)

FOREIGN EXPERIENCE OF CORPORATE SOCIAL RESPONSIBILITY

ABSTRACT

In today's dynamic business landscape, the concept of social responsibility has gained prominence, prompting enterprises to reassess their roles and responsibilities in society. This article undertakes a thorough examination of the definitions of social responsibility proposed by a multitude of authors and scholars. By synthesizing these perspectives, we aim to provide a nuanced understanding that guides enterprises in their pursuit of ethical, sustainable, and socially impactful practices.

The primary objective is to comprehensively investigate the relationship between Corporate Social Responsibility (CSR) initiatives and business performance across various industries and geographic regions. Specifically, the article aims to achieve the following:

1. **Analyze the Effectiveness of CSR Practices:** The article seeks to assess the effectiveness of different CSR initiatives undertaken by businesses.
2. **Measure Financial and Non-Financial Performance Metrics:** The study will evaluate the impact of CSR initiatives on both financial performance indicators (e.g., revenue, profitability, stock performance) and non-financial metrics (e.g., brand reputation, customer loyalty, employee satisfaction).
3. **Assess Stakeholder Perceptions and Expectations:** Understanding the perspectives of key stakeholders, including consumers, investors, employees, and regulatory bodies, is crucial in evaluating the effectiveness of CSR initiatives.
4. **Explore Industry and Regional Differences:** Business environments vary significantly across industries and geographic regions, leading to diverse approaches to CSR adoption and implementation.
5. **Identify Opportunities and Challenges:** examine the challenges and limitations associated with CSR implementation.

This article provides actionable insights for businesses to leverage CSR initiatives effectively. By aligning CSR practices with stakeholder expectations, leveraging industry insights, and addressing associated challenges, companies can foster sustainable business practices. This not only optimizes business performance but also contributes positively to society. Integrating CSR into corporate strategies emerges as imperative for driving long-term success and societal impact, highlighting the importance of responsible business practices in today's dynamic landscape.

Keywords: social responsibility, corporate, CSR initiatives, business performance, effectiveness analysis, stakeholder perceptions, financial metrics, challenge

JEL Classification: O1, F2

INTRODUCTION

Corporate Social Responsibility (CSR) has emerged as a pivotal aspect of business strategy, reflecting a growing recognition of the need for companies to address social and environmental concerns alongside financial objectives. While CSR presents significant opportunities for businesses to enhance their reputation, drive innovation, and create positive societal impact, it also brings forth a set of challenges that must be navigated effectively. In this article, we explore the key challenges and opportunities associated with CSR implementation.

Challenges of CSR:

1. **Financial Constraints:** One of the primary challenges companies face in implementing CSR initiatives is the allocation of financial resources. Balancing financial commitments to CSR with core business objectives can be difficult, especially for small and medium-sized enterprises with limited budgets. Securing adequate funding for CSR projects while maintaining profitability remains a significant hurdle.
2. **Measurement and Reporting:** Measuring the impact of CSR activities and accurately reporting outcomes pose challenges for businesses. Unlike traditional business metrics, such as revenue and profit, the social and environmental impact of CSR initiatives is often intangible and difficult to quantify. Establishing robust measurement frameworks and ensuring transparent reporting processes are essential but complex tasks.
3. **Stakeholder Engagement:** Engaging stakeholders effectively is critical for the success of CSR initiatives. However, navigating diverse stakeholder interests and expectations can be challenging. Companies must identify key stakeholders, understand their concerns, and establish meaningful dialogue to build trust and credibility. Failure to engage stakeholders adequately can lead to resistance, scepticism, and even backlash against CSR efforts.
4. **Regulatory Compliance:** Compliance with evolving regulatory requirements presents another challenge for companies engaging in CSR. Legal frameworks surrounding social and environmental issues are constantly evolving, requiring businesses to stay abreast of changes and ensure compliance with relevant laws and regulations. Non-compliance can result in reputational damage, legal penalties, and operational disruptions.

Opportunities of CSR:

1. **Enhanced Reputation and Brand Differentiation:** Companies that demonstrate a commitment to CSR often enjoy enhanced reputation and brand differentiation. Consumers, investors, and employees are increasingly drawn to socially responsible businesses, leading to increased loyalty, positive brand perception, and competitive advantage in the marketplace.
2. **Innovation and Competitive Advantage:** Embracing CSR can drive innovation within organizations, leading to the development of sustainable products, processes, and business models. Companies that prioritize environmental and social sustainability are better positioned to adapt to changing market trends, mitigate risks, and seize new business opportunities, thereby gaining a competitive edge.
3. **Attraction and Retention of Talent:** CSR initiatives play a crucial role in attracting and retaining top talent. Employees, particularly millennials and Gen Z, seek purpose-driven organizations that prioritize social and environmental responsibility. Companies that offer opportunities for employee engagement in CSR activities, such as volunteering programs and sustainability initiatives, are more likely to attract and retain skilled professionals.
4. **Long-term Value Creation:** Perhaps the most significant opportunity of CSR lies in its potential to create long-term value for both businesses and society. By addressing social and environmental challenges, companies contribute to sustainable development, foster inclusive growth, and build resilient communities. Ultimately, CSR enables businesses to create shared value by simultaneously addressing societal needs and driving business success.

In conclusion, while Corporate Social Responsibility presents challenges such as financial constraints, measurement complexities, stakeholder engagement, and regulatory compliance, it also offers significant opportunities for businesses to enhance their reputation, drive innovation, attract talent, and create long-term value. By embracing CSR as a core business imperative and addressing challenges proactively, companies can unlock the full potential of CSR to achieve sustainable growth and positive societal impact.

LITERATURE REVIEW

Corporate Social Responsibility encompasses various perspectives and approaches, reflecting the diverse beliefs and values within the business community.

While doing our research on the topic we gathered the most significant works related to the topic with the purpose of reviewing the definition of social responsibility (Table 1).

Table 1. Corporate Social Responsibility Overview.

Scientists	Definition Core
Milton Friedman (Friedman, 1970)	Milton Friedman's perspective emphasizes shareholder primacy, arguing that businesses' sole responsibility is to maximize profits within the boundaries of the law. He contends that engaging in social initiatives beyond profit-seeking amounts to a departure from the core purpose of business. (Friedman, 1970)
Archie B. Carroll's (Carroll, 1991)	CSR pyramid delineates four dimensions of corporate responsibility: economic, legal, ethical, and philanthropic. This framework emphasizes the multifaceted nature of corporate obligations, highlighting the interconnectedness between financial performance, ethical conduct, and societal contributions.
Edward Freeman (Freeman)	Edward Freeman's stakeholder theory expands the scope of corporate responsibility to include consideration of the interests of all stakeholders, not just shareholders. He posits that businesses have a moral obligation to create value for employees, customers, suppliers, and communities.
Michael Porter and Mark Kramer (Porter & Kramer, 2011)	Michael Porter and Mark Kramer introduce the concept of shared value, advocating for businesses to pursue strategies that simultaneously generate economic value and address societal needs. They argue that aligning business interests with societal goals leads to sustainable growth and competitive advantage.
John Elkington (Elkington)	John Elkington's "triple bottom line" framework suggests that businesses should measure success based on economic, social, and environmental performance. He emphasizes the importance of balancing financial profitability with social and environmental impact.

Drawing from these diverse perspectives, social responsibility in modern enterprises can be defined as follows:

Social responsibility in enterprises entails a holistic approach to business conduct that integrates ethical, legal, and philanthropic considerations. It involves maximizing shareholder value while also considering the interests of all stakeholders and contributing to societal well-being. This encompasses ethical decision-making, stakeholder engagement, sustainable business practices, and the creation of shared value. Socially responsible enterprises strive to balance profitability with social and environmental impact, recognizing their role as contributors to sustainable development and agents of positive change in the communities they serve.

These various perspectives highlight the complexity and richness of CSR, demonstrating that there is no one-size-fits-all approach. Instead, businesses must navigate a landscape of diverse beliefs and values to determine their own path towards responsible and sustainable business practices.

The multifaceted nature of social responsibility necessitates a comprehensive understanding informed by diverse perspectives. By synthesizing the insights of prominent authors and scholars, enterprises can develop a nuanced approach to social responsibility that aligns with their values, fosters stakeholder trust and drives long-term sustainable growth. Embracing social responsibility is not only a moral imperative but also a strategic imperative, enabling businesses to navigate complex challenges, build resilience, and thrive in an evolving global landscape.

AIMS AND OBJECTIVES

Our research represents the following major objectives:

- Educational Objective:** The primary aim of the article is to educate readers about the concept of Corporate Social Responsibility (CSR), its importance in today's business landscape, and its potential impact on sustainable development.
- Awareness Promotion:** The article aims to raise awareness among stakeholders, including business leaders, investors, employees, and consumers, about the significance of CSR in fostering ethical business conduct and social accountability.
- Highlighting Best Practices:** It seeks to highlight successful examples and case studies of companies that have effectively implemented CSR initiatives, showcasing how such practices can lead to positive outcomes for both businesses and society.
- Encouraging Implementation:** Another goal is to encourage more companies to integrate CSR into their corporate strategies and operations, emphasizing the long-term benefits of aligning business goals with social and environmental responsibilities.
- Addressing Challenges:** The article intends to address common challenges and misconceptions associated with CSR implementation, offering insights into how businesses can overcome barriers and navigate complexities to make meaningful contributions to society.

6. *Stakeholder Engagement:* It aims to emphasize the importance of stakeholder engagement in CSR efforts, advocating for collaborative approaches that involve employees, customers, local communities, NGOs, and government agencies.
7. *Measuring Impact:* The article aims to discuss methodologies and metrics for measuring the impact of CSR initiatives, helping businesses assess the effectiveness of their efforts and identify areas for improvement.
8. *Advocating for Transparency:* It advocates for transparency and accountability in CSR reporting, stressing the importance of honest and accurate communication to build trust with stakeholders.
9. *Promoting Innovation:* The article aims to explore how CSR can drive innovation within organizations, fostering creativity and adaptability to address social and environmental challenges while remaining competitive in the market.
10. *Inspiring Action:* Ultimately, the overarching goal of the article is to inspire action and foster a collective commitment to corporate social responsibility, recognizing it not only as a moral imperative but also as a strategic business imperative for long-term success and sustainability.

METHODS

Modern enterprises employ a variety of strategies to integrate social responsibility into their operations effectively:

1. *Stakeholder Engagement:* Embracing a stakeholder-centric approach involves actively involving diverse stakeholders in decision-making processes and fostering transparent communication channels. Companies leverage stakeholder feedback to identify key issues, set priorities, and develop targeted initiatives that address societal needs while aligning with business objectives.
2. *Sustainability Initiatives:* Sustainable practices are integral to modern business strategies, with companies adopting measures to minimize environmental impact, conserve resources, and promote circular economy principles. From renewable energy adoption to waste reduction efforts, sustainability initiatives contribute to long-term business resilience and mitigate environmental risks.
3. *Ethical Business Practices:* Upholding ethical standards and values is fundamental to building trust and credibility with stakeholders. Modern enterprises implement robust ethical frameworks, codes of conduct, and compliance programs to ensure integrity in their operations and uphold human rights, labour standards, and fair business practices throughout their value chain.
4. *Corporate Governance Reforms:* Strengthening governance structures and oversight mechanisms enhances accountability, transparency, and risk management within organizations. By implementing rigorous governance reforms, companies demonstrate their commitment to responsible business conduct and build trust among stakeholders, investors, and the broader society.

These strategies underscore the evolving role of modern enterprises in addressing societal challenges while driving sustainable growth. By integrating social responsibility into their core operations, businesses not only enhance their reputations and competitiveness but also contribute positively to communities and the environment. However, the effectiveness of these strategies relies heavily on a company's commitment, leadership, and ability to navigate complex stakeholder dynamics and regulatory environments.

In conclusion, modern enterprises are increasingly recognizing the importance of integrating social responsibility into their operations. Through stakeholder engagement, sustainability initiatives, ethical business practices, and corporate governance reforms, companies can create shared value for both shareholders and society. As businesses continue to evolve, embracing social responsibility as a core business imperative will be essential for long-term success and positive societal impact.

RESULTS

While the core principles of Corporate Social Responsibility (CSR) remain consistent across industries, the specific approaches and priorities can vary significantly.

Corporate Social Responsibility (CSR) represents a company's commitment to conducting business in an ethical, sustainable, and socially conscious manner. It encompasses a range of practices designed to positively impact society while ensuring long-term profitability. Each sector faces unique challenges and opportunities, and as a result, CSR initiatives vary

significantly across industries. By examining CSR practices across different sectors, we can better understand how companies are striving to make a meaningful difference in environmental stewardship, social equity, and economic growth. Analyzing CSR in various sectors provides several benefits, including understanding how companies can contribute to societal well-being, identifying best practices, and fostering innovation.

Analyzing CSR practices across different sectors is crucial for several reasons. First, it helps identify industry-specific challenges and opportunities, providing insights into how companies can tailor their CSR strategies effectively. Second, it highlights best practices that can be adopted or adapted by others, fostering a culture of continuous improvement and innovation in CSR. Finally, understanding sector-specific CSR initiatives underscores the diverse ways businesses can contribute to sustainable development, enhancing their reputation and building stronger relationships with stakeholders.

As a result of our research, we made an analysis of the main players in the business in different sectors, compared their strategies and directions, and challenges for the next periods. The main representatives by sector are shown in Figure 1 below.

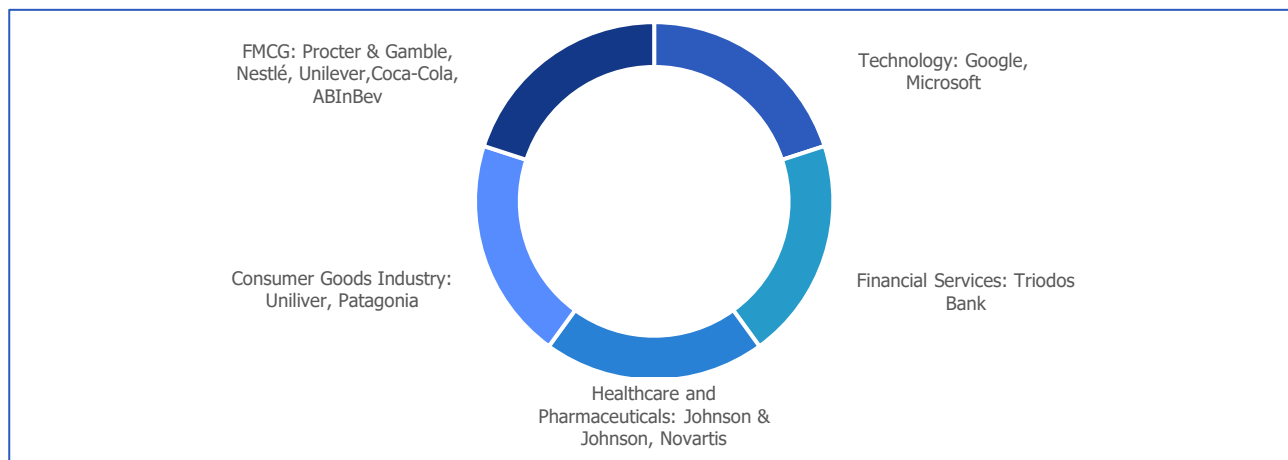


Figure 1. Main Players in Social Responsibility.

Technology Sector: Companies in the technology sector are pioneers in adopting innovative approaches to social responsibility. Google's parent company, Alphabet Inc., integrates sustainability into its operations through initiatives such as renewable energy investments, carbon offset programs, and waste reduction efforts. Additionally, Google.org, the company's philanthropic arm, supports various social and environmental causes worldwide, leveraging technology and innovation to address global challenges (Google, 2024).

Microsoft is another notable example, committed to sustainability and ethical business practices. The company has pledged to become carbon-negative by 2030, investing in renewable energy and carbon capture technologies. Furthermore, Microsoft's AI for Good initiative utilizes artificial intelligence to address pressing societal issues, including healthcare, education, and environmental conservation (Microsoft, s.d.).

Financial Services Sector: Banks and financial institutions are integrating social responsibility into their business models by aligning investments with environmental, social, and governance (ESG) criteria. Bank of America has committed to financing clean energy projects, supporting affordable housing initiatives, and promoting diversity and inclusion within its workforce. Furthermore, the bank has implemented responsible lending practices and transparent reporting on its ESG performance to meet stakeholder expectations. Triodos Bank, a pioneer in sustainable banking, channels investments into projects that have a positive social, environmental, and cultural impact. The bank finances initiatives such as renewable energy projects, organic farming, and social enterprises, prioritizing transparency and accountability in its operations. Triodos Bank demonstrates that financial institutions can drive positive change by directing capital towards sustainable and socially responsible endeavours (Triodos Bank, s.d.).

Healthcare and Pharmaceuticals: Companies in the healthcare and pharmaceuticals sector play a crucial role in advancing public health and addressing societal needs. Johnson & Johnson has established comprehensive corporate social responsibility programs focused on improving global health outcomes, advancing healthcare access, and promoting community well-being. The company's initiatives range from providing essential medicines and vaccines to underserved populations to supporting healthcare infrastructure development in low-resource settings (Johnson & Johnson, 2024).

Novartis, a leading pharmaceutical company, is committed to addressing global health challenges through its Access Principles. These principles guide the company's efforts to improve access to healthcare for underserved populations, particularly in low- and middle-income countries. Novartis collaborates with governments, NGOs, and other stakeholders to develop innovative healthcare solutions and expand access to essential medicines (Novartis, 2024).

Consumer Goods Industry: Consumer goods companies are increasingly focusing on sustainability and ethical sourcing to meet evolving consumer preferences. Unilever's Sustainable Living Plan exemplifies this commitment, aiming to decouple growth from environmental impact while increasing positive social impact. The plan includes commitments to reduce the environmental footprint, enhance livelihoods, and promote sustainable sourcing across its value chain (Unilever, s.d.).

Patagonia, a renowned outdoor apparel company, has established itself as a leader in corporate social responsibility. The company prioritizes environmental conservation and sustainability, investing in renewable energy, reducing waste, and advocating for environmental protection policies. Patagonia also supports grassroots environmental activism through its 1% for the Planet program, donating 1% of sales to environmental organizations worldwide (Patagonia, 2024).

Fast Moving Consumer Goods (FMCG): These are products that are sold quickly at relatively low cost and are consumed frequently. FMCG products include items such as food and beverages, personal care products, household cleaning products, and over-the-counter medications. These goods typically have a short shelf life and are purchased frequently, making them a significant category within the consumer goods industry. Examples of FMCG companies include Procter & Gamble, Nestlé, Unilever, The Coca-Cola Company and Anheuser-Busch InBev (ABInBev) (Nestlé, 2024).

The main stakeholder in the arena of social responsibility in business is ABInBev. So, the decision was taken to focus on prioritizing our analysis of this famous company (ABInBev, n.d.).

ABInBev's dedication to social responsibility is deeply ingrained in its corporate ethos. The company recognizes that its success is intricately linked to the well-being of the communities in which it operates. ABInBev's approach to social responsibility revolves around three key pillars: promoting responsible drinking, empowering communities, and preserving the environment.

In the lately published Sustainability Report ABInBev presented their main direction and focuses for the next years. The detailed overview is given in the Table 2 (Report, 2022).

Table 2. ABInbev Environmental, Social, and Governance Goals.			
Social Norms	Multi-Year Pilots	Product Portfolio	Labelling
Ambition			
Invest USD 1 billion across our markets in dedicated social marketing campaigns and related programs by the end of 2025	Reduce the harmful use of alcohol by at least 10% in six cities by the end of 2025 Implement the best practices globally by the end of 2025	Ensure No- or Lower-Alcohol beer (NABLAB) products represent at least 20% of AB InBev's global beer volume by the end of 2025	Place a guidance label on all beer products in all markets by the end of 2020. Increase alcohol health literacy by the end of 2025
Progress			
Through social norms marketing, the company engages with consumers to improve behaviour by helping to shape social norms. ABInBev is on track to deliver a USD 1 billion goal by 2025, with an investment of more than USD 700 million since 2016.	The city pilots program identified three interventions that can be most impactful in reducing the harmful effects of drinking: Road Safety, Responsible Beverage Service (RBS) Training and Screenings and Briefing Intervention.	In 2015, ABInBev led the industry by setting a goal of expanding NABLAB volume to represent 20% of our global beer volume by the end of 2025, bringing global attention and eventually momentum to this category.	ABInBev has updated the label designs on 100% of primary product packaging in all 26 countries where mandatory labelling is not required.
Social Norms	Multi-Year Pilots	Product Portfolio	Labelling
Progress			
	In partnership with local experts, governments and the AB InBev Foundation, the company is supporting 67 programs across 25 countries using the evidence-based techniques we tested in the City Pilots.	In 2022, 6.11% of their global beer volume was less than 3.5% alcohol by volume.	Today, their labels share clear, actionable information on how

Promoting Responsible Drinking: ABInBev prioritizes responsible drinking as a fundamental aspect of its social responsibility agenda. The company is committed to combating harmful drinking patterns, underage drinking, and drunk driving through targeted education, awareness campaigns, and partnerships with stakeholders. ABInBev's "Global Smart Drinking Goals"

aim to reach 1 billion people with responsible drinking messages by 2025, demonstrating its commitment to promoting moderation and reducing alcohol-related harm (ABInBev, n.d.).

ABInBev's flagship responsible drinking initiative, "Better World," encompasses a range of programs and partnerships focused on preventing alcohol misuse and promoting positive drinking behaviours. Through collaborations with governments, NGOs, and local communities, ABInBev implements evidence-based interventions, such as educational workshops, public awareness campaigns, and responsible retailing initiatives, to address alcohol-related issues effectively (ABInBev, n.d.).

Furthermore, ABInBev engages with academia and public health experts to conduct articles and develop evidence-based interventions that contribute to the understanding and prevention of harmful drinking behaviours. By leveraging data analytics and behavioural insights, ABInBev tailors its responsible drinking initiatives to target specific demographics and address contextual factors influencing drinking behaviours (ABInBev, n.d.).

In our opinion, it is very useful to look at social responsibility projects from the point of numbers and values. Therefore, we looked at the main figures related to ABInbev Social Responsibility. We have mentioned main of the values in Table 3 below (ABInbev, 2024).

Table 3. Global Initiatives of ABInBev.	
Global Initiatives in Numbers	
Value	Details
Sustainability	
14.3%	improvement in water efficiency since 2017
20.7%	reduction in Scopes 1, 2 and 3 emissions per hectoliter of production since 2017
39.2%	reduction in Scopes 1 and 2 absolute emissions since 2017
97.1%	renewable electricity contracted
77%	products in packaging that was returnable or made from a majority of recycled content (kegs and returnable glass bottles)
89%	direct farmers Skilled, 72% Connected and 72% Financially Empowered
100%	of beer labels have Smart Drinking actionable advice in the 26 countries where mandatory labelling is not required
USD 700 million	investment in social norms marketing since 2016
People, Safety and Community Support	
35%	of the salaried workforce are women (versus 30% in 2017)
> USD 15 million	donated to humanitarian relief support
10+ million	cans of emergency drinking water delivered to those in need
46	start-ups in the fourth cohort of 100+ Accelerator program in 26 countries with 18 women founders
18%	Year-over-year reduction in overall Lost Time Injuries
24%	Year-over-year reduction in overall Total Recordable Injuries
Economic Contribution	
USD 5.2 billion	invested in local economies
USD 14.3 billion	Excise generation worldwide
Emission (100% in total)	
14.8% Agriculture	- Increase yield through new, more resilient crop; - Varieties; - Work with farmers on nutrient management and optimized fertilizer application; - Introduce nature-based solutions across our agricultural supply chain for carbon removal.
3.8% Processing brewing ingredients	- Increase efficiency in malting and milling processes; - Switch fuel to biofuels, biomass and energy recovery implementation.

(continued on next page)

Table 3. Continued

Global Initiatives in Numbers	
Value	Details
Emission (100% in total)	
42.5% Packaging materials	■ Increase recycled content; ■ Scale low-carbon packaging solutions; ■ Implement lightweight solutions.
2.1% Brewing operations	■ Increase efficiency in brewing processes; ■ Implement renewable electricity and heat solutions; ■ Achieve near-zero landfill production waste in brewing operations.
10.3% Logistics	■ Continue load optimization, routing efficiency and mode switch; ■ Implement alternative fuel trucks (e.g., electric, hydrogen and/or biofuels).
23.9% Product cooling	■ Implement more efficient refrigeration with innovative cooling solutions; ■ Scale renewable electricity across our retailers globally.
2.6% End of product life	■ Promote local recycling; ■ Reduce waste through the use of recycled content and lightweight initiatives in packaging.

Empowering Communities: ABInBev is deeply invested in empowering communities by fostering economic development, promoting entrepreneurship, and enhancing livelihoods.

The company's "Elevate" program aims to empower smallholder farmers, particularly women, by providing them with access to training, resources, and market opportunities. By supporting agricultural innovation and sustainable farming practices, ABInBev enhances farmers' resilience and improves their socio-economic status (ABInBev, n.d.).

Furthermore, ABInBev's "Brewing Better Futures" initiative focuses on tackling societal challenges, such as poverty, unemployment, and inequality, through skills development, job creation, and community investments. The program collaborates with local partners to deliver vocational training, entrepreneurship support, and access to finance for marginalized populations, enabling them to build sustainable livelihoods and contribute to local economic development (ABInBev, n.d.).

A project in the context of Corporate Social Responsibility (CSR) is a specific, structured initiative undertaken by a company to address social, environmental, or economic issues. These projects are designed to generate positive outcomes for society while aligning with the company's strategic objectives and values. They often involve partnerships with non-profits, government agencies, and community groups to maximize impact and ensure sustainability.

As an example of an extremely spread social responsibility initiative, we listed the most famous recent campaigns of ABInBev in Table 4 (Report, 2022).

Table 4. ESG project of ABInbev.	
ABInbev ESG priorities	
Division	Campaigns
Smart Drinking & Moderation	■ DontDrive&Drink in the Dominican Republic; ■ "Os Moderados Serão Exaltados" in Brazil and "Huella Cero" in Uruguay; ■ "Así de Fácil" in Mexico; ■ Partnering with UNITAR on road safety.
Climate	■ Biogas projects; ■ Energy reduction in wort cooling; ■ E-trucks in Belgium; ■ Green logistics in the US.
Sustainable Agriculture	■ Exemplifying regenerative practices through model farms.
Entrepreneurship	■ Supporting retailers through digital platforms BEES; ■ Expanding access to microcredit to unlock growth; ■ Empowering women in business uplifts communities; ■ Connecting smallholder farmers to mobile financial services in Tanzania.
Diversity, Equity & Inclusion	■ • Driving gender equity in sports

ABInBev's community empowerment initiatives extend beyond economic empowerment to encompass social and environmental initiatives that address the unique needs and priorities of local communities. By engaging with community stakeholders and co-creating solutions, ABInBev ensures that its initiatives are contextually relevant, culturally sensitive, and sustainable in the long term.

Preserving the Environment: ABInBev is committed to minimizing its environmental footprint and promoting environmental sustainability throughout its value chain. The company's "2025 Sustainability Goals" encompass ambitious targets across various environmental domains, including water stewardship, climate action, circular packaging, and renewable energy adoption. ABInBev aims to reduce water usage, carbon emissions, and waste generation while increasing renewable energy usage and promoting circular economy principles (ABInBev, n.d.).

ABInBev's water stewardship efforts are particularly noteworthy, given the water-intensive nature of brewing operations. Through its "Water Action" initiative, the company implements water-saving technologies, watershed conservation projects, and community-based water management programs to improve water efficiency and mitigate water risks in water-stressed areas. ABInBev's collaborative approach involves engaging with local stakeholders, governments, and NGOs to address shared water challenges effectively (ABInBev, n.d.).

Impact and Collaborations: ABInBev's social responsibility initiatives have yielded tangible benefits for communities worldwide. By promoting responsible drinking, empowering communities, and preserving the environment, the company has made significant strides in driving positive societal impact and fostering sustainable development. ABInBev's collaborations with governments, NGOs, and local partners have enhanced the scalability, effectiveness, and sustainability of its initiatives, maximizing their reach and impact (ABInBev, n.d.).

For example, ABInBev's partnership with the International Alliance for Responsible Drinking (IARD) has enabled the company to leverage global best practices and expertise in responsible drinking advocacy and education. Similarly, collaborations with organizations such as the United Nations Development Programme (UNDP), Water.org, and the World Wildlife Fund (WWF) have facilitated ABInBev's efforts to address water scarcity, promote water conservation, and advance environmental sustainability (ABInBev, n.d.).

As a conclusion, Corporate Social Responsibility presents both challenges and opportunities for businesses across sectors. While navigating financial constraints, measurement complexities, stakeholder engagement, and regulatory compliance can be daunting, embracing CSR as a core business imperative offers numerous benefits. From enhanced reputation and brand differentiation to innovation, talent attraction, and long-term value creation, CSR enables companies to drive positive societal impact while achieving sustainable growth. By addressing sector-specific challenges and leveraging industry-specific opportunities, businesses can unlock the full potential of CSR to create shared value for stakeholders and society.

DISCUSSION

Modern Digital Approaches: Using AI in CSR

In an era characterized by rapid technological advancements and growing societal challenges, the integration of artificial intelligence (AI) into business operations presents unique opportunities to advance social responsibility initiatives. From enhancing sustainability efforts to promoting diversity and inclusion, businesses are leveraging AI technologies to drive positive social impact. This article explores examples of how AI is being utilized by forward-thinking companies to fulfil their social responsibility commitments and address pressing global issues. (Guha, Davenport, Grewal, & Bressgott, 2020)

Environmental Sustainability: One area where AI is making significant contributions to social responsibility is environmental sustainability. Companies like Google are using AI-powered algorithms to optimize energy usage in data centres, reducing carbon emissions and energy consumption. Similarly, IBM's Watson AI platform is being employed to analyze weather data and optimize energy distribution, enabling more efficient use of renewable energy sources.

Another example is The Ocean Cleanup project, which utilizes AI-enabled autonomous vessels to collect and remove plastic waste from the ocean. These autonomous systems leverage AI algorithms to navigate waterways, identify debris, and facilitate targeted cleanup efforts, thereby contributing to marine conservation and environmental stewardship (Guha, Davenport, Grewal, & Bressgott, 2020).

Ethical Supply Chain Management: AI technologies are also being utilized to promote ethical supply chain practices and combat issues such as forced labour and human rights abuses. Walmart, for instance, uses blockchain technology powered by AI to track and trace the origins of products in its supply chain, ensuring transparency and accountability.

Similarly, Nestlé employs AI-driven analytics to monitor supplier compliance with ethical sourcing standards and identify potential risks of labour exploitation. By leveraging AI to detect irregularities and flag high-risk suppliers, Nestlé can take proactive measures to address violations and uphold ethical standards throughout its supply chain (Nestlé, 2024).

Diversity and Inclusion: AI has the potential to advance diversity and inclusion initiatives within organizations by mitigating unconscious bias in hiring and decision-making processes. Companies like Unilever use AI-powered recruitment platforms that employ machine learning algorithms to identify and remove biases from job postings, resume screening, and candidate evaluations (Unilever, s.d.).

Moreover, AI-driven analytics tools enable companies to track diversity metrics, identify areas for improvement, and implement targeted interventions to foster inclusivity in the workplace. For example, Salesforce utilizes AI to analyze employee demographics and engagement data, facilitating evidence-based decision-making and driving diversity initiatives (Salesforce, 2024).

Healthcare Accessibility: AI is transforming healthcare accessibility by enabling remote diagnostics and personalized treatment options. Companies like Babylon Health utilize AI-driven chatbots to provide instant medical advice and virtual consultations, expanding access to healthcare services in underserved communities. Similarly, Google's DeepMind Health uses AI algorithms to analyze medical data and assist clinicians in diagnosing diseases and predicting patient outcomes, ultimately improving healthcare outcomes and reducing disparities (Google, 2024).

Financial Inclusion: AI-powered financial services are promoting financial inclusion and empowering underserved populations to access banking and credit facilities. For example, LenddoEFL employs AI algorithms to assess creditworthiness based on alternative data sources, such as social media activity and mobile phone usage, allowing individuals without traditional credit histories to access loans. Additionally, companies like PayPal utilize AI to detect fraudulent activities and enhance security measures, safeguarding the financial interests of vulnerable consumers.

Disaster Response and Humanitarian Aid: AI technologies are enhancing disaster response efforts and humanitarian aid operations by enabling real-time data analysis and predictive modelling. Organizations like the Red Cross leverage AI-powered algorithms to analyze satellite imagery and social media data to assess the impact of natural disasters and coordinate emergency response efforts more effectively. Moreover, AI-driven chatbots are deployed to provide critical information and support to affected populations during humanitarian crises, facilitating communication and access to assistance services (Red Cross, 2024).

Education and Skill Development: AI is revolutionizing education and skill development initiatives by personalizing learning experiences and expanding access to educational resources. Platforms like Khan Academy utilize AI algorithms to adapt learning materials to individual student needs, providing tailored instruction and feedback. Similarly, Coursera employs AI-powered recommendation systems to suggest relevant courses and learning paths to users based on their interests and career goals, democratizing access to high-quality education worldwide.

In conclusion, the integration of AI into business practices offers tremendous potential to enhance social responsibility efforts and address complex societal challenges.

By leveraging AI technologies, companies can improve environmental sustainability, promote ethical supply chain practices, and advance diversity and inclusion initiatives.

However, it is essential for businesses to approach AI deployment with a commitment to ethical use, transparency, and accountability to ensure that these technologies contribute positively to society. As AI continues to evolve, businesses must remain vigilant in harnessing its power for the greater good and uphold their social responsibility commitments in an increasingly digital world.

CONCLUSIONS

In recent years, the concept of Corporate Social Responsibility (CSR) has gained significant traction among businesses worldwide. From multinational corporations to small enterprises, many are adopting CSR initiatives as a fundamental part of their operations. While CSR brings numerous benefits, it also presents challenges and limitations. In this article, we'll explore the advantages and disadvantages of corporate social responsibility.

There are several main advantages of Corporate Social Responsibility:

1. **Enhanced Reputation:** Engaging in CSR activities can bolster a company's reputation. When businesses demonstrate a commitment to social and environmental causes, they build trust and goodwill among consumers, investors, and

other stakeholders. A positive reputation can lead to increased customer loyalty, improved brand perception, and ultimately, greater profitability.

2. *Competitive Advantage:* CSR initiatives can differentiate a company from its competitors. Consumers are increasingly conscious of social and environmental issues and are more likely to support businesses that align with their values. By implementing CSR strategies, companies can attract new customers, retain existing ones, and gain a competitive edge in the marketplace.
3. *Employee Engagement and Retention:* Employees are more likely to feel motivated and satisfied working for a socially responsible organization. CSR initiatives demonstrate a company's commitment to making a positive impact beyond profit generation, which can boost employee morale and loyalty. Engaged employees are also more productive and tend to stay with their employers for longer periods, reducing turnover costs.
4. *Risk Mitigation:* Adopting CSR practices can help mitigate various risks, including regulatory compliance, reputational damage, and supply chain disruptions. By proactively addressing social and environmental issues, companies can minimize the likelihood of encountering costly legal disputes, boycotts, or negative publicity, thus safeguarding their long-term viability.

Together with advantages always some disadvantages of Corporate Social Responsibility appear:

1. *Financial Costs:* Implementing CSR initiatives often requires significant financial investments. Whether it's funding community development projects, implementing sustainable business practices, or supporting charitable causes, these activities can strain a company's resources, particularly for small and medium-sized enterprises with limited budgets. Balancing financial commitments to CSR with core business objectives can be challenging.
2. *Complexity and Measurement Challenges:* Measuring the impact of CSR initiatives and attributing specific outcomes to these efforts can be complex. Unlike traditional business metrics such as revenue and profit, the social and environmental impact of CSR activities is often intangible and difficult to quantify. Additionally, stakeholders may have varying expectations and definitions of success, making it challenging to assess performance accurately.
3. *Greenwashing Risks:* Some companies engage in "greenwashing" – the practice of misleading consumers by exaggerating or misrepresenting their environmental or social responsibility efforts. This can damage trust and credibility, leading to reputational harm and backlash from stakeholders. Maintaining transparency and authenticity in CSR communications is crucial to avoid greenwashing allegations.
4. *Diversion of Resources:* Focusing too heavily on CSR initiatives may divert resources and attention away from core business activities. While investing in social and environmental causes is admirable, companies must ensure that these efforts align with their strategic objectives and do not detract from their ability to deliver value to shareholders and stakeholders. Striking the right balance between profitability and social responsibility is essential.

In conclusion, Corporate Social Responsibility offers a myriad of benefits, including enhanced reputation, competitive advantage, employee engagement, and risk mitigation. However, it also poses challenges such as financial costs, measurement complexities, greenwashing risks, and potential resource diversion. To maximize the positive impact of CSR, businesses must approach it thoughtfully, aligning their initiatives with their values, stakeholders' expectations, and long-term business goals.

ADDITIONAL INFORMATION

AUTHOR CONTRIBUTIONS

Conceptualization: Galyna Azarenkova, Olena Golovko

Data curation: Kateryna Kalinina

Methodology: Serhii Azarenkov, Petro Tarabanovskyi

Resources: Kateryna Kalinina

Supervision: Galyna Azarenkova

Validation: Olena Golovko, Kateryna Kalinina

Investigation: Serhii Azarenkov, Petro Tarabanovskyi, Kateryna Kalinina,

Visualization: Kateryna Kalinina

Project administration: Galyna Azarenkova, Serhii Azarenkov

Writing – review & editing: Galyna Azarenkova, Serhii Azarenkov, Petro Tarabanovskyi, Olena Golovko, Kateryna Kalinina

FUNDING

The Authors received no funding for this research.

CONFLICT OF INTEREST

The Authors declare that there is no conflict of interest.

REFERENCES

1. ABInbev. (2024). *Sustainability*. WorldWide: AbInbev. <https://www.ab-inbev.com/sustainability>
2. ABInBev. (n.d.). *Smart drinking*. https://www.ab-inbev.com/assets/pressreleases/2023/AB%20InBev_2022%20Annual%20Report_FINAL.pdf
3. Agriculture, A. (2023). *Agriculture Initiatives*. Worlwide: ABInBev. <https://www.ab-inbev.com/agriculture>
4. Carroll, A. B. (1991). The pyramid of corporate social responsibility: Toward the moral management of organizational stakeholders. *Business Horizons*, 34(4), 39-48. [https://doi.org/10.1016/0007-6813\(91\)90005-G](https://doi.org/10.1016/0007-6813(91)90005-G)
5. Dmytriiev, S., Freeman, R., & Horisch, J. (2021). The relationship between stakeholder theory and corporate social responsibility: Differences, similarities, and implications for social issues in management. *Journal of Management Studies*, 58(6), 1441-1470. <http://dx.doi.org/10.1111/joms.12684>
6. Elkington, J. (n.d.). Towards the sustainable corporation: Win-win-win business strategies for sustainable development. *California Management Review*, 36(2), 90-100. <https://doi.org/10.2307/41165721>
7. Freeman, E. (n.d.). *Strategic management: A stakeholder approach*. Boston: Pitman.
8. Friedman, M. (1970). The social responsibility of business is to increase its profits. *The New York Times Magazine*, 13, 122-126. <https://www.nytimes.com/1970/09/13/archives/a-friedman-doctrine-the-social-responsibility-of-business-is-to.html>
9. Google. (2024). *Sustainability reports*. <https://sustainability.google/reports/>
10. Guha, A., Davenport, T., Grewal, D., & Bressgott, T. (2020). How artificial intelligence will change the future of marketing. *Journal of the Academy of Marketing Science*, 48(1), 24-42. <https://doi.org/10.1007/s11747-019-00696-0>
11. Johnson & Johnson. (2024). <https://www.jnj.com/our-societal-impact#:~:text=At%20Johnson%20%26%20Johnson%2C%20our%20environmental,within%20reach%20of%20everyone%2C%20everywhere>
12. Microsoft. (n.d.). *Corporate responsibility*. <https://www.microsoft.com/en-us/corporate-responsibility>
13. Nestlé. (2024). *Sustainability at Nestlé*. <https://www.nestle.com/sustainability>
14. Novartis. (2024). <https://www.novartis.com/ca-en/esg/corporate-responsibility>
15. Patagonia. (2024). *Social Responsibility*. <https://www.patagonia.com/social-responsibility/>
16. Porter, M., & Kramer, M. (2011). Creating shared value. *Harvard Business Review*, 89(1/2), 62-77. <https://hbr.org/2011/01/the-big-idea-creating-shared-value>
17. Red Cross. (2024). *Corporate Social Responsibility into Effect*. <https://www.redcross.ch/en/support-us/partner-with-us/put-corporate-social-responsibility-into-effect>
18. Report, A. S. (2022). *ABInbev Sustainability*. ABInBev. <https://cdn.builder.io/o/assets%2F2e5c7fb020194c1a8ee80f743d0b923e%2F6ecda8873aa943709a7108a0d91e97d2?alt=media&token=870100d7-b154-4dea-84e1-10e09c97ace3&apiKey=2e5c7fb020194c1a8ee80f743d0b923e>
19. Salesforce. (2024). *Philanthropy Cloud*. <https://www.salesforce.com/solutions/philanthropy/corporate-social-responsibility/>
20. Triodos Bank. (n.d.). *Social Responsibility Framework*. <https://www.triodos.com/en/articles/2023/triodos-bank-supports-call-for-social-investment-framework>
21. Unilever. (n.d.). *Planet & Society*. <https://www.unilever.com/planet-and-society/>

Азаренкова Г., Азаренков С., Тарабановський П., Головка О., Калініна К.

ЗАРУБІЖНИЙ ДОСВІД КОРПОРАТИВНОЇ СОЦІАЛЬНОЇ ВІДПОВІДАЛЬНОСТІ

У сучасному динамічному бізнес-середовищі концепція соціальної відповідальності останнім часом набула великого значення, що спонукає підприємства переглянути свою роль і ступінь відповідальності в суспільстві. У статті проведений огляд сутностей поняття «соціальна відповідальність», що були запропоновані різними вченими. Проаналізувавши наведені погляди, ми запропонували власне визначення, яке допоможе підприємствам спрямовувати зусилля на стале та соціально значуще ведення бізнесу.

Основна мета дослідження полягає в комплексному вивченні взаємозв'язку між ініціативами корпоративної соціальної відповідальності (КСВ) та бізнес-показниками підприємств різних галузей і географічних регіонів. Зокрема, завданнями статті є:

1. аналіз ефективності існуючих практик КСВ (оцінка ефекту від упровадження різноманітних ініціатив корпоративної соціальної відповідальності на різногалузевих підприємствах);
2. вимірювання фінансових і нефінансових показників ефективності: (оцінка впливу ініціатив КСВ на фінансові (обіговість коштів, прибутковість, динаміка вартості акцій) та нефінансові (репутація бренду, лояльність клієнтів, задоволеність працівників) показники;
3. оцінка сприйняття та очікувань результатів зацікавленими сторонами (розуміння перспектив ключових зацікавлених сторін, зокрема споживачів, інвесторів, працівників та компетентних органів, є важливим в оцінці ефективності ініціатив КСВ);
4. дослідження відмінностей у галузях та регіонах (бізнес-середовища суттєво відрізняються залежно від галузі діяльності та географічного розташування, що призводить до наявності широкого кола різноманітних підходів до прийняття та впровадження КСВ);
5. визначення можливостей і викликів (вивчення перспектив, загроз та обмежень, пов'язаних з упровадженням КСВ).

Автори надають конкретні висновки, які допоможуть підприємствам ефективно використовувати різноманітні ініціативи КСВ. За допомогою вирівнювання впроваджених заходів корпоративної соціальної відповідальності з пов'язаними з цим загрозами підприємства зможуть створити сталі, ефективні бізнес-практики. Це не лише оптимізує фінансові показники, але й позитивно вплине на суспільство. Інтеграція КСВ в корпоративні стратегії стає необхідною умовою діяльності підприємства задля досягнення довгострокового успіху та суспільного впливу.

Ключові слова: соціальна відповідальність, корпоративна відповідальність, ініціативи КСВ, бізнес-продуктивність, аналіз ефективності, сприйняття зацікавлених сторін, фінансові показники, виклик

JEL Класифікація: O1, F2