

**СТАТИСТИЧНЕ ТА ЕКСПЕРТНО-
АНАЛІТИЧНЕ ЗАБЕЗПЕЧЕННЯ
УПРАВЛІННЯ СТАЛИМ
РОЗВИТКОМ ЕКОНОМІКИ І
СОЦІАЛЬНОЇ СФЕРИ**

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ЗАБЕЗПЕЧЕННЯ УПРАВЛІННЯ СТАЛИМ РОЗВИТКОМ
ЕКОНОМІКИ І СОЦІАЛЬНОЇ СФЕРИ**

**STATISTICAL AND EXPERT-ANALYTICAL SUPPORT
OF SUSTAINABLE DEVELOPMENT MANAGEMENT OF
ECONOMY AND SOCIAL SPHERE**

**КОЛЕКТИВНА МОНОГРАФІЯ
за редакцією В. Г. Маргасової**

**COLLECTIVE MONOGRAPH
edited by V. Marhasova**

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Рецензенти:

Момотюк Л. Є., доктор економічних наук, професор, проректор з науково-педагогічної та виховної роботи Національної академії статистики, обліку та аудиту Державної служби статистики України

Вдовенко С. М., доктор наук з державного управління, професор, професор кафедри публічного управління та менеджменту організацій Чернігівського національного технологічного університету

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Потреба суспільства в ефективних змінах правового, інституційного, фінансового, організаційного та змістовного характеру з помітними для нього результатами робить необхідними посилення інституційної спроможності системи державного управління та подальшу розбудову демократії у процесі здійснення секторальних реформ в Україні, які водночас мають узгоджуватися з проголошеним на глобальному рівні стратегічним завданням забезпечення сталого розвитку, що передбачає знаходження балансу між економічною, екологічною та соціальною складовими розвитку на фоні забезпечення миру та соціальної злагоди. Використання ефективної та якісної системи експертно-аналітичного забезпечення державної політики, аналітичних методів і технологій забезпечує підтримку прийняття та реалізації державно-політичних рішень на всіх рівнях владної ієрархії, забезпечує інформаційну підтримку обраної для реалізації державної політики і створює умови для об'єктивного формування громадської думки щодо її впровадження, забезпечує потреби державних службовців у верифікованому аналітичному матеріалі.

Коллективна монографія містить результати моніторингу ефективності процесів інтеграції України до ЄС та дієвості секторальних реформ, системного дослідження фундаментальних теоретико-методологічних засад експертно-аналітичного забезпечення управління, європейського досвіду розвитку статистичного бізнес-процесу з метою забезпечення належного рівня якості даних та ефективного статистичного виробництва, удосконалення статистики державних фінансів, грошово-кредитної та фінансової статистики, аналітичного, експертного, правового й інформаційного забезпечення місцевого та регіонального самоврядування в процесі децентралізації, забезпечення управління економічним потенціалом й економічною активністю і життєвим рівнем населення. Вагомим результатом проведених досліджень є розроблені напрями раціонального й ефективного використання наявних можливостей розвитку України та її регіонів в сучасних умовах.

Монографія розрахована на фахівців у галузі економіки, державного управління, науковців і практиків, менеджерів, які за родом своєї діяльності вирішують завдання бізнесу, планування комерційної діяльності і виробництва, а також у процесі державного регулювання економічного розвитку, з можливостями, що відкриваються у разі коректного й цілеспрямованого використання статистичного забезпечення розроблення та підтримки управлінських рішень для зростання ефективності в усіх сферах суспільного життя.

Відповідальність за науковий рівень статей, обгрунтованість висновків, достовірність результатів, правильне цитування джерел та посилення на них несуть автори та їх наукові керівники.

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Reviewers:

Momotiuk L. Ye., Doctor of Economics, Professor, Vice-rector for scientific-pedagogical and educational work of the National Academy of Statistics, Accounting and Audit of State Statistics Service of Ukraine

Vdovenko S. M., Doctor of Science in Public Administration, Professor, Professor of the Department of Public Administration and Management of Organizations of Chernihiv National University of Technology

C 78 STATISTICAL AND EXPERT-ANALYTICAL SUPPORT OF SUSTAINABLE DEVELOPMENT MANAGEMENT OF ECONOMY AND SOCIAL SPHERE : monograph / [edited by V. Marhasova]. – Chernihiv : CNUT, 2017. – 620 p.

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The need of society in effective changes of legal, institutional, financial, organizational and substantial character with noticeable results makes it necessary to strengthen the institutional capacity of the system of public administration and further develop democracy in the process of sector reforms in Ukraine, which must be consistent with declared at a global level strategic objective of sustainable development, which involves finding a balance between economic, environmental and social components of development against the backdrop of securing peace and social cohesion. The use of effective and qualitative system of expert-analytical support of public policy, analytical methods and technologies, provides support for adoption and implementation of public-policy decisions at all levels of the power hierarchy, provides information support of the chosen for implementation public policy and creates conditions for the objective formation of public opinion on its implementation, meets the requirements of civil servants in the verified analytical material.

The collective monograph contains the results of monitoring the effectiveness of Ukraine's integration into the EU and the effectiveness of sectoral reforms, systematic study of fundamental theoretical and methodological principles of expert-analytical maintenance of management, the European experience of statistical business-process development to ensure adequate level of data quality and efficient statistical production, improvement of statistics of public finance, monetary and financial statistics; analytical, expertise, legal and information support of local and regional authorities in the process of decentralization, securing management of economic potential and economic activity, living standards of the population. An important result of the research is the developed directions of rational and effective use of the existing capacity of Ukraine and its regions in modern conditions.

The monograph is intended for specialists in economics, public administration, academics and practitioners, managers who in their work solve business issues, plan commercial activity and production, as well as participate in the process of government regulation of economic development with the opportunities opening in case of the correct and targeted use of statistical software development and support of management decisions for the increase of efficiency in all areas of public life.

Responsibility for the scientific level of the articles, the validity of findings, the reliability of results, proper citation of sources and references to them bear authors and their supervisors.

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Коллективна монографія підготовлена за матеріалами¹
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¹ <http://webinars.stu.cn.ua/index.php/uk.html>

ROLE AND IMPACT OF SOCIAL ENTREPRENEURSHIP DEVELOPMENT STRATEGY IN UKRAINE

Fellow Fil. Dr. Jan-U. Sandal Institute (Finstadjordet, Norway)
Shvedetskyi, O., master degree student
Specialty "Applied Economics", Department of Entrepreneurship
Taras Shevchenko University of Kyiv, Ukraine
e-mail: oleh_shvedetsky94@mail.ru

Formulation of the problem. The market economy is based on the legal system, market infrastructure and entrepreneurship. According to international experience, an important component of the competitiveness of the national economy is entrepreneurship. Ukrainian entrepreneurship formation began after Ukraine gained independence. It is important to say that compared with developed countries the level of entrepreneurship activity in Ukraine is insufficient and needs substantial improvement. In addition, the population have an insufficient knowledge about the impact and role of social entrepreneurship and how it can contribute to the improvement of society as a whole.

A definition of social entrepreneurship. Social enterprise is a business form where ownership, control, and wealth is evenly distributed, which promotes more open and equitable society.

Social enterprise is based on the values of equity ownership and distribution of wealth, equal involvement and solidarity with people around the world in achieving the objectives of honesty and openness in terms of activity and balance between the commercial part, social responsibility and concern for the environment.

Social enterprises attract employees because they equally can carry out control over it. Employees know that they control how profits is spent. Social enterprise is also attractive to customers because they get more for what they pay: the additional value is that the clients know that part of the profits of a social enterprise will be used for social and environmental purposes.

From the late 1970s, the following definition for social enterprise has been used:

“A social enterprise is a legally registered organization owned and controlled by its members based on the values of equity in ownership. It trades commercially, creates social wealth and reduces its environmental impact. Social wealth and environmental benefit can be created as an integral part of a social enterprise’s operations or can be delivered through its profit distribution.”

A social enterprise seeks to be commercially profitable, to be environmentally sensitive and to deliver social wealth, and social enterprises are measured by their success in achieving this “triple bottom line” (Freer, 2011, p. 4).

Social enterprise is based on the following principles:

- company is jointly owned by its members, basis of which is equal distribution of shares;
- membership is determined by the Charter of an enterprise;
- democratic decision-making (one man – one vote);
- revenues are invested in the company and/or allocated for social and environmental goals;
- a company can receive both revenues and grants from government and other organization;
- enterprise carries on business activity as well as social events;
- commercial, social, environmental achievements are estimated with the help of financial and social audits;
- social enterprise's aim in creating social wealth, but not the obtaining of private capital (Freer, 2011).

Social enterprises arisen as a response to chronic social problems: unemployment, poverty, disunity community and others. Social enterprises are designed to meet the needs of community members which cannot be met by the public sector and which are ignored by the private sector. Exactly this is the niche for social enterprises. Local communities get the primary benefits of social entrepreneurship. Social entrepreneurship helps to provide public services in a new way and meet the needs of the community, create working places, enrich professional expertise of people working in social enterprises to their further employment in the current market conditions. In addition, social entrepreneurship helps to develop community by attracting people from socially disadvantaged and marginalized groups to public life due to providing them with job. Besides, social entrepreneurship expands activity of citizens who can solve their own problems and take responsibility for their lives. It strengthen attention to socially vulnerable groups of the population, not only by giving them charitable help, but providing them useful and socially meaningful work and it revives rural and urban areas and improve their social infrastructure and so on (Kirieieva, 2011).

Several social enterprises models. Social enterprises are divided into several models considering content and purposes of social entrepreneurship.

- Model of supporting entrepreneurs.

Such companies provide financial services to people to help them in opening their own businesses, which then sell their products or services on the open market. Such a model is used by organizations of economic development, development programs of small and medium businesses, consulting firms that providing professional services, vendors of technologies and products.

- Model of market mediator.

Such companies provide their services to ensure them access to markets. That means a product improvement, assistance in production or sales, lending and more. Traditional business enterprises that use this model: marketing organizations, consumer organizations, those who sell agricultural products.

- Ensuring employment model.

According to this model of providing employment opportunities and training for people who cannot create competition in the traditional labor market (people with disabilities, homeless, socially disadvantaged young people, former prisoners). This model is widely used by social organizations of different areas. Traditional enterprises that use this ensuring employment model are companies of urban accomplishment, coffee shop, courier companies etc.

- The model of financing services.

Organizations sell goods and provide services, and the revenue is used to finance social programs. This model is often applied by public organizations. Often such companies are the result of a combination of tangible assets (buildings, land or equipment) or intangible assets (know-how, brand).

- "Ligamentous of market" model.

These companies facilitate trade between their clients and external markets. Social enterprise acts as a broker or a liaison between parts and for these services enterprise receives payment. In this case, a social enterprise does not sell products of its customers, but only connects customers with the markets. The model is often used for the commercialization of social services or for getting benefits from the intangible assets such as trade relations. Social enterprises spend their income on financing services to customers who are unable to pay for them. Among the companies using this model are companies of market research, export–import operations and brokerage services (Kirieieva, 2011).

Development of the social entrepreneurship concept in Ukraine.

Taking into account obstacles and negative conditions of living after Ukraine has announced about independence, people began to unite into different associations in order to resist any welfare drawbacks and to lobby for their interests.

From the end of the 2000s, a shift towards research on social entrepreneurship and social enterprises could be observed among scientists, who tried to understand the impact, role and prospects of development of these enterprises within the Ukrainian economy.

In the 21st century, social entrepreneurship in Ukraine is gaining popularity among public society organizations as an effective mechanism of solving local social and economic problems of territorial communities (Fatic, 2015).

Projects that have applied character in the field of social entrepreneurship mainly launched with the support of international organizations and countries (the United States Agency for International Development or the United Kingdom Department for International Development):

- The “Social Enterprise Development Program” was introduced by the British Council in Ukraine and East Europe Foundation in consortium with other partners in 2010 and lasted until 2013. It has helped Ukrainian social

entrepreneurs to set up and develop their enterprises. The help came through consulting; provision of grants and donations; training; editing of specialized literature; establishing a suitable institutional structures (Social Enterprise Support Centre, Platform of Social Networks) etc.;

- The Ukraine Citizen Action Network (UCAN) Program was launched by the Agency of United States of America for International Development as a five–year project for public society development, which favored social entrepreneurship and awarded Ukrainian social entrepreneurs with grants during the period from 2004 to 2006;

- The Counterpart Alliance for Partnership (CAP) Social Enterprise Program of the Agency of United States of America for International Development was held from 1997 to 2002. The Program provided different trainings, grants and technical assistance for NGOs to help them to start up new business venture or to develop ones that have been already existing;

- The “Action Donbass” Project and a community development project in Donetsk were organized by the UK Department for International Development. The aim of the project was the creation of conditions for social enterprise development through loans and expert help in Ukrainian regions (Bibikova, 2015).

Existing social enterprises in Ukraine now are very different from their foreign counterparts, since they have a lot of nuances. Almost each of them has a fund or grant in a background, because to start a business you need start–up capital. Achieving profitability for these companies which are involved in social entrepreneurship – is a long term goal. Their current tasks more concern to the implementation of social programs and not to the developing of effective business approaches (Fatich, 2015).

Social entrepreneurship in the context of country modernization. Social entrepreneurship – a mechanism that can and should become a social dimension of modernization of Ukraine. Replicability experience, originally planted in his concept, allows you quickly and effectively to expand the number of enterprises migrate approaches and ideas. This is accompanied by an increase in the competence of social entrepreneurs and their professional growth and contributing to the development of human capital. The majority of those who have decided to devote themselves to this difficult area of business are innovators. They are able to unite like–minded people, to find the necessary resources to solve social problems, to combine their own knowledge with the latest technology. Social entrepreneurs create growth points, around which are formed not only new businesses, but also the specific social relations.

With the expansion of the network of social enterprises will inevitably change attitudes towards socially oriented business. Oncoming traffic will increase the social responsibility of the traditional business, which will seek to integrate into the new paradigm of interaction between society and entrepreneurs.

Separately should mention the function of reintegration of a number of social groups in society. First of all, we are talking about people with disabilities are often excluded from everyday life. Creating opportunities for their employment, improving the material wellbeing and moral wellbeing – one of the key tasks of social entrepreneurship.

Interaction with state and municipal authorities in the field of social entrepreneurship is not limited to the fiscal sphere. Suffice widespread development of special funds – the partner organizations, which are created for the purpose of socio-economic development of municipalities, businesses and non-profit organizations. Such tripartite coalition can effectively solve problems at the local level. Moreover, the implementation of tripartite agreements creates sustainable partnerships and builds communication networks that make up the foundation for further cooperation.

Strengthening relations between the state, business and society in the framework of social entrepreneurship paradigm will give new impetus to the formation of civil society in Ukraine. Focusing on the complex solution of acute social problems, network propagation principle, the ability actively to integrate into existing projects make social enterprise a powerful source of civic initiatives.

Positive is that all of the undertakings in the framework of this approach, pursue exclusively constructive purposes. The process of social enterprise, if we consider it in detail, involves the passage of five main stages:

- Search options (social problems, unmet needs);
- The definition of the concept (definition of social benefits, the definition of new products or markets);
- Definition and acquisition of the necessary resources (financial resources, human resources, knowledge, experience, skills and competence);
- Start-up and growth of the company (the results of measurements, the company's expansion);
- Achieving the goal (merging with other companies, expansion of the company and change of mission, implementation of the mission and the company's closure);

The entire business process of a company operating in the field of social entrepreneurship is structured in two dominant vectors. The first is the decision of socially significant problems, in the second – a profit. The balance of these vectors defines the essence of social entrepreneurship. It becomes a source of stabilization and consolidation of public relations, the engine of sustainable and sustained development (Zvereva, 2011).

Well-developed business environment is an important factor to enhance the stability of the economy of cities. Proven experience and history, the more there are small businesses in the country, the more it is independent from the influence of various crises and other external factors. This is especially important for small towns, where citizens are not dependent on a single

enterprise (Shapovalov, 2016).

Role and impact of social entrepreneurship in sustainable development. Social entrepreneurship is primarily a business. However, in contrast to traditional business, it is created also to solve social problems. There are too much drawbacks in the Ukrainian market economy model. Even if government wants to solve social problems, it cannot solve all of them. Similarly, traditional businesses often are not interested in overcoming of social problems. Moreover, the government, business oriented on needs of millions of citizens, who present electorate, which provides them a place in government.

That is why social entrepreneurship in Ukraine should take a free niche in the economy and society. At least it will partially solve the problem of small groups. In particular, it helps in overcoming social isolation, employing people with physical and mental capabilities, unemployed people and representatives from at-risk groups of populations and find ways to reform public social services, reduces the burden on local budgets in solving social problems.

Currently, Ukraine social entrepreneurship as a social practice is only beginning to develop. Number of actually existing social enterprises is small, and often they do not even see themselves as such. Public support and government activities are still lacking. In Soviet Union, social sphere was monopolized by the state and there could not be any questions to deliver it to someone else. Therefore, the fact that social entrepreneurship in Ukraine is in its infancy is not surprising.

In Ukraine, we have four possible approaches to the understanding the practice of social entrepreneurship (Mair, 2006):

- social entrepreneurship as a way to support certain social groups;
- social entrepreneurship, as a mechanism of promoting economic development, supporting entrepreneurship;
- social entrepreneurship as an alternative state mechanism to resolve social problems;
- social entrepreneurship as a socially oriented business.

The analysis shows that successful non-profit organizations and small businesses are far from the best examples of social entrepreneurship, which is found in the West. There are natural barriers for it, which are associated with the lack of professionalism of non-profit organizations.

Small business has its own disadvantages. Having a social purpose as a mission, small businesses easily part with it in behalf of a profitable business.

In the role of social entrepreneurs serve today mostly non-profit organizations that develop their economic activities. That is, this segment can be the basis for the formation and development of social enterprises (Volkova, Shevchenko, 2016).

The key characteristics of organizations that are engaged in social entrepreneurship are (Plahova, 2009):

- good reputation in the local community, a wide range of partners at the local level of government, business, media;
- focus on the most urgent area for social problems;
- provision of basic technical and administrative resources;
- features the heads of these organizations: high activity, possession of innovative technologies, availability of work experience in the business sector;
- opportunity to do business must be fixed in the statutes.

Most social enterprises of Ukraine provide jobs for target groups with which they are associated in its primary activity. Their main objective activity, like any other businesses are to achieve positive financial and social benefits from investing.

In recent years in Ukraine, social entrepreneurship is gaining popularity among public organizations as an effective mechanism for resolving local social and economic problems of communities.

In Odessa, NGO "Way to Home" operates, through activities of which newspaper is issued for poor people and workshops sew clothing for them. Another example of a social enterprise is Ukrainian association "Peace, beauty culture" in Kherson, which introduced the "Creative practice session" to produce and sell exclusive clothing for children and youth, using natural fabrics decorated with traditional Ukrainian ornament in a modern style. Profits are used to raise the Ukrainian culture and arts through theater, schools, teaching young people the skills that would ensure their sustainable jobs in the future.

In Kiev there is the partnership "Alice" for people with disabilities. Partnership created opportunities for training and work of their customers by establishing six business companies: office supply store "Alice"; cafe "Posadena"; trading company "Etit"; architectural firm "Instorm"; advertising agency "Monostat"; sports facilities for teaching children of martial arts.

In Zhytomyr owing to the public organization "Samaritan Mission in Ukraine" works department for the production of metal products (lattices, gates, etc.).

In the village Ploske of Kirovograd region was founded rehabilitation center for drug addicts "Return to Life". There is also a separate house for five employees. Seventy percent of residents of the center are HIV-positive. Residents of the center produce ware of concrete, which are mainly used for paving sidewalks. Part of the proceeds goes to maintenance of the center and the rest of the money saved, to expand production. "We created this company to become, eventually, independent of state funding and donor support", the director of "Return to Life", Alexander Ostapov said.

The organization in Lviv named "Oselya" gives homeless shelter and attracts them to work on the restoration of furniture, which are then put up for auction (if the furniture were transferred to the organization as a donation) or sold. The obtained funds go to finance shelter and salary for employees.

In Lugansk, some HIV-infected women sew clothes to order. Social

effect in this case is that people have an opportunity to earn money by doing their work in society, which negatively treat to them and infringe them on their rights. Thanks to social entrepreneurship, new markets, opportunities and prospects are arising.

Lviv NGO "Tree of Life", which works with people who have impaired hearing, together with a commercial company engaged in the production of high quality audio books. They have an increased demand among consumers. As a result, managed to create a new market segment. Thanks to proceeds from sales "Tree of Life" has funded the publication of three new books. In addition, that organization sells audio books in bookstores of the city and the local markets; it transmits audio books in all the libraries for deaf people in the region for free.

In 2010, Ukraine initiated a project of the British Council "Promoting social entrepreneurship" for partnership support of "Eastern Europe", companies PricewaterhouseCoopers and "Erste Bank". Objectives of the project are the dissemination of new idea in Ukrainian society and provide necessary assistance to entrepreneurs to launch successful social business. Overall, by the time that the project existed from 2010 to 2012 a series of trainings on social business were conducted in Kiev, Donetsk, Lviv, Odessa, Simferopol and Sevastopol, Nikolaev, Zhitomir and in Boyarka. Thus, training and programs that took place in Sevastopol, Nikolaev, Zhitomir and Boyarka took place at the initiative of the local community, businesses and public authorities.

In early 2011 an open competition took place (total 250 applications were submitted), following which the organizers selected 80 participants in three regions of Ukraine, Lviv, Donetsk regions and in Crimea. Participants took part in educational and training program, developed with the participation of successful entrepreneurs from the UK; they obtained legal and advisory support of experts and developed their own business plans of future enterprises. As a result, four of the best business plans that most fully meet all the stated criteria were selected and they would further get support from the organizers.

Thus, in the Novoazovsk city of the Donetsk region Ltd "Medical Rehabilitation Centre "Health" developed a plan, implementation of which will expand the range of medical services for the rehabilitation of patients with diseases of the central and peripheral nervous system, providing them with social and psychological assistance. The project involves the unemployed people and people with disabilities. Part of the profits from paid services will be aimed at implementing free rehabilitation programs for children with scoliosis and cerebral palsy from families with low incomes.

NGO "Evpatoria information–consulting center" proposed project on creation of "Perspective Center" in Molochne village of Saq region in Crimea. Tourism development (creation of a tourist product "bed and breakfast" with dipping of holidaymakers in village life) will create new jobs, better use of human potential and natural resources of the region. Part of the profit of "Perspective Center" will be deducted for the implementation of programs

aimed to teach rural population how to do business effectively and to increase their financial literacy.

In the city of Brody, Lviv region, scientific–production association "Children's Hope" plans to create a center for ecological agriculture cultivation, processing and sale of environmentally friendly products, extend the experience of organic farming of population through training and promotional activities. The project provides for employment of young people with disabilities and members of their families (Sotula, 2013).

One of the successful examples of effective social enterprise in Ukraine is a bakery "Nut House", which was created by economic organization "Public help – Lviv". It was necessary to finance the program of integration of women in crises. They are provided by shelter and with the help of a social worker and a psychologist for 14 months try to return them to normal life. These women inspired the idea of a bakery. Because they did not know how to cook dishes, they could not feed their children and they had to be taught how to do this. Founder of social bakery, Yuri Lopatinsky says that the first funds was the Austrian grant because local government was not ready to predict some money in the budget. Next financial help was a loan on favorable terms from the Dutch partners. Then during a few year social entrepreneur gained experience and knowledge is marketing, how to register a business, how to manage and how to do an accounting. However, today delicious "biscuits for good cause" knows many people in Ukraine. In 2014, NGO consumed only 10 thousand UAH more money than bakery was able to finance. Plans for future is to do business with positive balance, to negotiate about the next loan for expansion. Also should be to say that women pay their own utilities. It is their financial responsibility, which is part of the integration program. One of the women works as a cleaner in "Nut House." Other women obtain help about employment from customers of social enterprise (Zahakaylo, 2015).

Trends of social entrepreneurship in Ukraine. Summary of the practice of social entrepreneurship shows the following main tendencies of its development in Ukraine (Galushka, 2013):

- Social Entrepreneurship serves as the spirit of the time, the appearance of which we see in the world.
- The implementation of social projects usually happens with common expense.
- The characteristics of social entrepreneurship are such as openness to innovative ideas, establishing connections with the players of the social process, sharing formulas for success.
- There is a paradigm shift of this phenomenon – social innovation is seen as a project of self–organized professionals.
- The main social value is the formation of meaningful intercultural relations.
- Growing investment in human capacity development.

- Creation of promo–videos of projects, advising on communication strategies and training sessions that are occurred.
- There are conflicts growth – funding social initiatives seen as sunk costs
- There is a growing desire for dialogue between the players in the community and forming meaningful relationships.

Five great opportunities for the development of social entrepreneurship in Ukraine. Using entrepreneurial approaches to solving social problems allows less to look at the state budget, which is sorely lacking at all, and provides a more or less sustainable development for vulnerable groups of society, which brings social entrepreneurship to a new level of development in Ukraine.

Ukrainian Center for social entrepreneurship "Social Initiative", investigating phenomenon of social entrepreneurship since 2012, singled out five major opportunities for the development of social enterprises in Ukraine that will encourage the creation of a growing number of Social Enterprises.

Ability №1: absence of a law, which is regulating social entrepreneurship.

Whatever skeptics say, but it is really a great opportunity for social enterprise to choose the most suitable legal form, in terms of both business model and features of taxation. This means that the germ of a social enterprise can evolve from a commercial project of the NGO to the public company. It should be emphasized that it does not matter whether such a form of a business as a social enterprise, but important, for what purpose a social enterprise want to be created. Here we have another approach to business: not for the benefits, we create a business, but to improve the quality of life of vulnerable groups or the community as a whole. A wide range of legal forms of successful social enterprises only evidence in favor of this opportunity.

Ability №2: availability of the resources that are not involved in traditional business.

The largest of these, of course, human resource, to which can be attributed the following categories:

- people with disabilities;
- refugees (internally displaced persons);
- national minorities;
- elderly;
- youth;
- people with addictions;
- people who came out of prison;
- HIV–positive people;
- mothers with many children (often these people have great skills (talent), but their "peculiarities" scare traditional businessmen and prevent them to work through the power of lots of myths and stereotypes);
- buildings owned by the community.

In Ukraine, many buildings are not actually used, because of a terrible state, and owned by the community. Unfortunately, local authorities do not use these buildings in any way and do not want to give them to anyone else that is why often these buildings turned into ruins. Abroad there are many examples of abandoned buildings of out-of-use enterprises, which were transformed into office centers for employment of vulnerable groups, and their incomes are allocated to address local problems.

Ability №3: big business is always interested in outsourcing.

Many large companies are trying not to hold on its balance sheet a number of ancillary services and departments because they require fixed costs, therefore more often (this is a tendency) companies order such services as cleaning, transportation, courier delivery service of office equipment and networks, advertising and public relations, event, educational services, accounting, production of various parts and so on. This allows small businesses to grow. Another component of big business is social responsibility, which is to help the local community to solve urgent problems. Increasingly, companies are looking for opportunities to replace grants for start-ups, as in this case they kill two hares with one stone: firstly, they provide themselves with outsourcing; secondly, they solve a social problem, which will not to require grants in future. Moreover, if a big business makes a deal for the purchase of services of social enterprise for 1–2 years, the probability of bankruptcy of the social enterprise is reduced significantly. Number of examples of such cooperation in Ukraine increases.

Ability №4: customer loyalty to products of social enterprises increases.

Ukrainian consumer culture is changing for the better. If 10 years ago consumers paid attention mainly on price, nowadays they also revise country of manufacture, expiry date, ingredients as well as availability of social component. The feeling of belonging to useful things in a simple way (acquisition of necessary goods or services) is a powerful argument in favor of social enterprises, and especially on the background of support of national producer. As a small business in Ukraine is relatively small, therefore, there is no competition and social entrepreneurs can easily find their customers, build a culture of conscious consumption, and thus jointly solve social problems in the communities.

Ability №5: social entrepreneurship supported by international foundations and organizations, allows you to create, and develop social enterprises.

At first glance, asking the search "support social enterprises" on the Internet, we do not see any result that would clearly answered the questions of where to get resources on startup. However, there are many proposals that are relevant to social enterprise, though they are called differently, for example:

- Support for internally displaced persons from UNDP. The aim is to create jobs for IDPs in Ukraine, as well as to the local population of Donetsk and Lugansk regions.

- Help IDPs and communities who have suffered of the consequences of the conflict from the International Organization for Migration. One of the components of the program is training and grants for IDPs to support their efforts to ensure their material life through the organization of small businesses, self-employment and vocational training.

- Almost all programs of donors, which are aimed at rural development, containing elements of social entrepreneurship (Fund "Monsanto", International Charitable Fund "Heifer International").

- We should also introduce social investment program "Western NIS Enterprise Fund", which was established to comprehensive support social enterprises by providing affordable loans, consulting and training services, as well as establishing social partnerships to address specific problems in the community (Shapovalov, 2016).

Social development challenges in Ukraine. Today there is a wide range of problems arising in the development of social enterprises in Ukraine that can be grouped as follows:

- Problems associated with the lack of understanding of the nature of social enterprises from key groups of society. Lack of understanding from government, business and public of benefits provided by developing and creating of social enterprises in better performance of giving social services for society and lack of supporting of NGOs, which involved into solving the social objectives. The lack of a systematic approach to popularize social enterprise. Lack of information network on activities related to the development of social entrepreneurship. In addition, these are the main barriers to development of social entrepreneurship.

- Problems that reflect the complexity of the legal and administrative promoting the idea of social entrepreneurship. First, the adoption of laws at the state level and their implementation at regional level of socio-economic systems, communities typically has a longer period. Secondly, on a local level may not have sufficient resources to ensure the implementation process of legislation. Besides makes itself felt lack of favorable internal and external environment for the creation and development of social enterprises (lack of legislation that would regulate the activities of social enterprises, the lack of a systematic approach to education and training of qualified personnel for activities in the field of social entrepreneurship; no "grounds" for communication and exchange (including international) for existing and future social entrepreneurs, lack of financing of projects to create social enterprises).

- Problems associated with the contradictions in psychology of social entrepreneurship, directly, to the objective differences in the logic of business and public activity. Fatherland beginners in social entrepreneurship face the

challenge of combining social objectives with long-term and sustainable self-sufficiency. However, after years of work social entrepreneurs and organizations that support them, have learned a few lessons, knowledge of which enables them to overcome the "crisis of identity" of social enterprise – business or charity – and coordinate public and commercial interests that are essential to achieving social stability and prosperity.

- Problems of attracting funds for the first stage of business development, lack of special programs of credit and loan support. Social enterprises like any other business need investment. In Europe and the USA, these investments come in the form of venture philanthropy – contribution to social enterprise with low-interest rate, no interest rate, in terms of repayment of the amounts or in the form of program-oriented investment and with minimal return (Dovgal, 2014).

Conclusions and recommendations. Social Entrepreneurship in Ukraine is a new phenomenon and its development due, mainly, not with state or private investors, but rather with some enthusiasts.

Achieving social impact of social enterprises is:

- involvement of target groups in the production of goods or services (problem solving resocialization, adaptation, employment, etc.);
- providing quality services and products to representatives of the target group on preferential terms (thus satisfying their needs and improving the quality of life);
- realization of business without the involvement of the target group and directing revenues from these activities in support of a social mission;
- the use of innovative approaches to solving social problems;
- finding new ways to reform public social services;
- citizen participation in social initiatives on a voluntary basis, associations of communities around social problems;
- the emergence of new types of social services that remain unnoticed by ordinary business due to low profitableness, unpopularity, lack of proper training;
- more efficient use of available resources in the region to resolve social problems;
- reducing the burden on local budgets in solving social problems (actual in a chronic budget deficit).

The key to the success of the concept of the social entrepreneurship in Ukraine is to develop a national strategy of social entrepreneurship that will coordinate the efforts of all stakeholders – businesses, NGOs, donor organizations and the state.

The national strategy of social entrepreneurship should include these steps:

- the law on social entrepreneurship, setting out clear criteria for social enterprise and established legal mechanisms to support social entrepreneurs;

- dissemination of information on social entrepreneurship through the mass media;
- creation of special credit and loan programs to attract funds for the first phase of the development of social entrepreneurship;
- launching programs of vocational training for those who wish to operate in the field of social entrepreneurship;
- increasing social capital to enhance mutual trust and cooperation in society.

The development of social entrepreneurship in Ukraine – it is a long process, the scale and pace of which it is impossible to predict because of the decentralized nature of these processes. However, this process can be speeded up, if government will conduct active social and economic policies, to consider the formation of social entrepreneurship as independent and important policy direction of socio–economic reforms.

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ЕКОНОМІКИ І СОЦІАЛЬНОЇ СФЕРИ**

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