OBJECTIVES AND ADVANTAGES OF SOCIAL AUDIT

The process of evaluating a firm’s various operating procedures, code of conduct, and other factors to determine its effect on a society. A social audit may be initiated by a firm that is seeking to improve its cohesiveness or improve its image within the society. If the results are positive, they may be released to the public. For example, if a factory is believed to have a negative impact, the company may have a social audit conducted to identify actions that actually benefit the society.

In Ukraine, social audit develops mainly on the initiative of large companies engaged in foreign economic activity and interested in attracting investors. Social audit, as a means of operational management, is becoming more widespread. The administrations of foreign companies try to prevent social conflicts, which inevitably linked to the loss of working time and profits. In the West, social

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Auditing became practical in the 1990s and was predetermined; - the desire to prevent social tension and conflict; - formation of the legal framework for social audit; - the efforts of companies to create a positive image. Social audit, according to research by some scholars, has first spread in European countries (UK, Scandinavian countries) and Canada. Later, most companies in Australia, South Africa, India and New Zealand began to apply the elements of social audit (audit of social balance of expenditures and income, audit of social processes and management programs, audit of the social effectiveness of the organization's behavior in the selected area of social problems). In developed countries, social audit is used solely at the microeconomic level for operational management, but in the context of globalization, each country is inherent only in its features. Thus, the Japanese management system skillfully uses the traditions of Confucianism: respect for work, for the elders, knowledge, collective responsibility, agreement through negotiation, mutual compromises, etc. The Anglo-Saxon model is characterized by economic rationalism, the promotion of personal initiative, civil asceticism, etc. The German model has national features - punctuality, discipline, traditions related to Christian morality, etc. [1].

Social audits have several aims, objectives, advantages (Table 1). One is to assess the type of social and environmental influence that the company has in its local community. Another aim is to make a judgment of the material and monetary shortfalls between the needs of the community and the assets that are available for the development of the local society. Another aim of social audits is to make local social service providers and other beneficiaries aware of the needs of the community.

**Table 1**

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<tr>
<th>Objectives of social audit</th>
<th>Advantages of social audit</th>
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<td>Assessing the physical and financial gaps between needs and resources available for local development</td>
<td>Trains the community on participatory local planning</td>
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<td>Creating awareness among beneficiaries and providers of local social and productive services</td>
<td>Encourages local democracy</td>
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<td>Increasing efficacy and effectiveness of local development programmes</td>
<td>Encourages community participation</td>
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<td>Scrutiny of various policy decisions, keeping in view stakeholder interests and priorities, particularly of rural poor</td>
<td>Benefits disadvantaged groups</td>
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<td>Estimation of the opportunity cost for stakeholders of not getting timely access to public services</td>
<td>Promotes collective decision making and sharing responsibilities</td>
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Yet another is to provide information needed to improve the effectiveness of programs designed to enhance community development. The formation and development of social audit is a phenomenon relatively new not only to Ukraine but also to the leading countries of the world. Therefore, there is no approach to a single holistic definition of social audit. In scientific sources, social audit is defined as a form of social control that is becoming widespread in modern society.

Thus, the identification of the main problems and peculiarities of becoming a social audit institute gives grounds to focus on such issues as:

1) the sphere of observance / development of public values and management of public resources;
2) the process of formation and development of social audit as a promising mechanism of modernization of public administration.
The modern development of countries requires new drivers that will help raise the level of the economy, improve living conditions for the population, and reduce the political and social tension of society. The country’s information security may be one of those areas, the purpose of which is to create many institutions and tools that ensure the information protection from its loss, distortion, theft, other cybercrime and terrorist actions both for an individual and for the whole country. Moreover, information can serve as a weapon for waging information war in the country, contribute to the creation of political instability, and shake the mood of the population. Also, the distortion of financial information can lead to an increase in the risks of criminal income legalization.

The above examples show that there is a definite connection between information security and the development of any country. To confirm this thesis, we have carried out a canonical analysis, which has allowed us to determine the relationship between the sets of different factors. For this purpose, we have formed a sample of empirical data for 159 world countries for 2018, which have been grouped into two sets: the first is the factors of the country’s socio-economic and political development [1], and the second is the components of the national cybersecurity indicator [2].

At the first stage, we have carried out a correlation analysis in the analytical package "STATISTICA," which made it possible to select those indicators between which there is a connection. As a result, we have chosen those factors for which the value of the correlation coefficient is higher than 0.3. Although this link is weak, we should have selected all elements with any type of relationship to test the statement. Factors for which the value of the correlation coefficient is less than 0.3 have been excluded from the analysis.

In the second stage, we have carried out a canonical analysis, the results of which are presented in Figure 1.

The value of the canonical correlation coefficient is 0.89935 (Fig. 1), which indicates a strong connection between the development factors and the components of the national cybersecurity index. The high Chi-square value confirms the significance of the relationship between the sets. This criterion is also significant.