

## **SOCIALLY RESPONSIBLE START-UPS: THE ESSENCE, WORLD TRENDS, AND PROBLEMS OF DEVELOPMENT IN UKRAINE**

**Ruda M.V.**

Candidate of Economic Sciences,  
Senior Instructor at Department of Foreign Economic  
and Custom Activities,  
Lviv Polytechnic National University

**Lahoda O.B.**

Student,  
Lviv Polytechnic National University

In this article, the social dimension of entrepreneurial activity is investigated. It provides for the maintenance of the integrity of society and the provision of general economic welfare.

According to the global trends of business and attempts to achieve sustainable development, it is advisable to explore towards socially responsible start-ups and their effective functioning and establishment of prospects of development in Ukraine by studying the foreign experience.

Social entrepreneurship involves business activities on the innovative, significant, and positive change in society. It is grounded that in contrast to business owners that focus only on maximizing profits, social entrepreneurs involved in the accumulation of social capital as involved in areas such as education, medicine, sport, environment, poverty alleviation, and human rights.

It is determined by the authors that in Ukraine, social entrepreneurship is fragmented, particularly of large companies and equivalent to charity rather than to a conscious strategy with specific business benefits. It is stated that the main problem is the lack of an appropriate legal framework, financial and political crisis in the

country, making it difficult to investors' attraction.

Among the unresolved issues on this subject are the following: the selected by the authors area is not sufficiently investigated by domestic scientists, underdeveloped conceptual and categorical apparatus that prevents a clear understanding of the essence of social entrepreneurship, including socially responsible start-ups; the lack of an adequate regulatory framework to solve problems within the legal framework and government support in Ukraine; imperfect practice of measuring the impact of social startups society, lack of effective cooperation between the public sector and business.

The essence of the social start-up is defined; the main features and peculiarities of the interaction of its key components are revealed. The stages of development of the start-up are identified; their characteristics and problem aspects are detailed. The role of positive practices of social entrepreneurship in the development of Ukrainian society is substantiated. The model of consolidated responsibility on the basis of the partnership under the concept of social entrepreneurship for sustainable economic development is proposed in the article.