

## CHANGES IN THE STRUCTURE OF THE CSR STRATEGY OF COMPANIES IN THE CONTEXT OF RUSSIA'S MILITARY INVASION OF UKRAINE IN 2022

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**Purpose of paper:** This is a presentation of basic changes in the approach to the Corporate Social Responsibility (CSR) strategy of Ukrainian and Polish companies in the context of Russia's military invasion of Ukraine, and their impact on business efficiency. This study was conducted to determine how businesses have changed CSR strategies based on the assistance provided.

**Design/approach:** The paper is consisted with 3 parts. The first is about a theoretical context of CSR in Ukraine and Poland – as a short view of literature and practices related to topic, in the time of begging of War. The second part includes findings on research sample – questionnaire research among Ukrainian companies and their practices with CSR during the begging the War. The last part is an attempt of conceptualization own proposal of operationalization of CSR strategy in a time of war called Emergency Reflection Algorithm.

**Practical implications:** The development of corporate social responsibility is one of the ways of strategic business development in achieving strategic goals, strengthening competitive positions in the market, building partnerships, establishing stable relationships between all elements of the internal and external environment of enterprises.

**Social implications:** With the beginning of Russia's military invasion of Ukraine, there is an active participation of business in addressing the vital needs of civilians, military support, for Ukrainian citizens. Enterprises spend insane resources in material and financial terms in turbulent times of war. In general, understanding they bring emergency impact into a social surviving. The main subject of the research was the assessment of CSR practices in the face of a huge change, which was Russia's aggression against Ukraine.

**Findings:** Half of the surveyed enterprises changed the strategic goals of CSR. In general, the primary goals are “Income” and “Use of material and financial resources: hire productivity of assets, better capital use, cost decrease”. The identified CSR strategy meets the criterion of measurability, and therefore all changes that are made to the current strategy or when formulating a new strategy must be adjusted to the strategic goals of CSR. Surveyed enterprises changed their strategic goals, while the rate of change in the strategic indicators of the positive contribution of CSR. This result demonstrates the need for changes in the enterprise management system.

**Originality/value:** There was proposed the Business Model Canvas as tool to help forming/adapting a CSR strategy.

**Keywords:** CSR, Ukraine enterprises, war in Ukraine, sustainability management.

**Category of the paper:** research paper, conceptual paper.

## Introduction

The activities of any business are not limited to improving business processes and achieving business performance. The management of every company from micro-entrepreneurship to large companies must recognize the importance of business through the prism of three dimensions: economic, social, and environmental. Thus, business has strong transformative tools for the development of financial, organizational, and human capital in the internal environment of the company. And building sustainable relationships with suppliers, consumers, partners, local communities and society as a whole at the external level.

Business affects the economy, society and the environment - and this is what shapes a company's corporate social responsibility. The main task of modern business, without exception, is to reduce the negative and increase the positive impact. This can be achieved only by adhering to the principles of sustainable development on which the CSR strategy should be based, namely - the balance between meeting modern needs and protecting the interests of future generations.

The effectiveness of the CSR strategy determines the level of sustainable development of modern business at various management levels and is based on support for the generally accepted goals of sustainable development UNDP's 17. The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call for action to end poverty, protect the planet and ensure that all people have peace and prosperity by 2030 (The Sustainable Development Goals..., 2022).

CSR strategy is a tool not only for business development, but also for solving macro problems. Therefore, CSR development trends are regulated at the international and national levels. Compliance with legal standards is one of the conditions for successful implementation of CSR strategy in enterprises. This study focuses on socially responsible business in Ukraine and Poland during the Russian-Ukrainian war. Therefore, the legislative aspect of supporting the development of SCR as a strategy for sustainable business development and the environment is presented at the international, European and Ukrainian national levels.

**International level.** The development of CSR is supported by international organizations and associations that develop working materials on the development and implementation of various areas of business from the standpoint that "Business is an integral part of society". For example, the primary objective of UNIDO (United Nations Industrial Development

Organization) is a promotion of inclusive and sustainable industrial development in developing countries and economies in transition. UNIDO contributes to the industrial development of countries regarding compliance with the promotion of social sustainability (UNIDO Annual Report, 2020):

- Creating shared prosperity.
- Advancing economic competitiveness.
- Safeguarding the environment.
- Strengthening knowledge and institutions.
- Cross-cutting services.
- Building a better future.
- UNIDO's normative role for higher impact.

According to the UNIDO Annual Report 2021, in 2021 USD 39.3 million was spent on the development of socially responsible business in 121 countries from the European Union, USD 45.9 million from Global Environment Facility (GEF), USD 22.7 million from Multilateral Fund (MLF). A total of USD 66.9 million was received from Top Funding partners (UNIDO Annual report, 2021).

In fact, UNIDO support programs help to bring business to a higher level of development through the implementation of a CSR strategy into existing business processes. They help companies reach a new level of development and competitiveness by creating socially responsible services and products, implementing quality systems in the value chain, maintaining a high standard of social responsibility within the company, creating social and environmental innovations. In this way, the interests of stakeholders are met, companies gain competitive advantages and sustainable development for a long period of activity.

The Vision 2050: Time to Transform is the most recent international practical guide to CSR implementation created by World Business Council for Sustainable Development (WBCSD). Vision 2050: Time to Transform sets a shared vision of a world in which more than 9 billion people are able to live well, within planetary boundaries, by 2050. Its uniqueness and relevance are due to the consequences of the COVID-19 World Pandemic and the demonstration of its impact and interaction with three major global problems: the climate emergency, nature loss and mounting inequality. The vision and transformation pathways are aligned with the Sustainable Development Goals (SDGs) and the targets of the Paris Agreement. Each of the nine transformation pathways contains ten action areas for the decade ahead, designed to help companies drive transformative change in their strategies, business operations and impact on society (Vision 2050. Tome to transform, 2022). Vision 2050: Time to Transform reflects how systems are being transformed and offers a business governance framework for the coming decades.

**European level.** European requirements for the development of CSR are defined in the relevant laws, standards, regulations, which were revised after the global financial crisis. European conception of CSR is defined in the Commission Staff Working Document “Corporate Social Responsibility, Responsible Business Conduct, and Business & Human Rights: Overview of Progress Brussels, 20.3.2019 SWD(2019) 143 final”: \*Corporate Social Responsibility (CSR) was defined in the CSR Strategy as the "the responsibility of enterprises for their impacts on society" (Overview of Progress. EUROPEAN COMMISSION, 2019). To fully meet their social responsibility, companies “should have in place a process to integrate social, environmental, ethical, human rights and consumer concerns into their business operations and core strategy in close collaboration with their stakeholders, with the aim of maximizing the creation of shared value for their owners/shareholders and civil society at large and identifying, preventing and mitigating possible adverse impacts”. The EU CSR development strategy is based on the main benefits for both individual business and the general socio-economic situation (Fig. 1).



**Figure 1.** Advantages of implementing the European CSR strategy at different levels of government. Source: (Renewed EU strategy 2011-14 for CSR, 2019).

European companies that develop and implement CSR strategies are based on agreed basic standards and guidelines in accordance with international standards. The companies have at their disposal the following official materials:

- OECD Guidelines for Multinational Enterprises;
- The ten principles of the United Nations Global Compact;
- The ISO 26000 Guidance Standard on Social Responsibility;
- The ILO Tri-partite Declaration of Principles Concerning Multinational Enterprises and Social Policy;
- The United Nations Guiding Principles on Business and Human Rights.

**All-Ukrainian level.** Ukraine's desire to become a member of the EU imposes mandatory conditions for compliance with European standards. Regarding the regulation of CSR development at the state level in Ukraine, it should be noted the following regulatory documents:

- Decree of the President of Ukraine 22722/2019 "On the Sustainable Development Goals of Ukraine until 2030" ([www.president.gov.ua](http://www.president.gov.ua), 2019).
- Concepts of implementation of state policy in the field of promoting socially responsible business in Ukraine for the period up to 2030 ([www.zakon.rada.gov.ua/laws/show/66-2020-p#Text](http://www.zakon.rada.gov.ua/laws/show/66-2020-p#Text), 2020).
- National Strategy for Human Rights ([www.president.gov.ua/documents/1192021-37537](http://www.president.gov.ua/documents/1192021-37537), 2021).
- Strategies for creating a barrier-free space in Ukraine ([www.zakon.rada.gov.ua/laws/show/366-2021-p#Text](http://www.zakon.rada.gov.ua/laws/show/366-2021-p#Text), 2021).

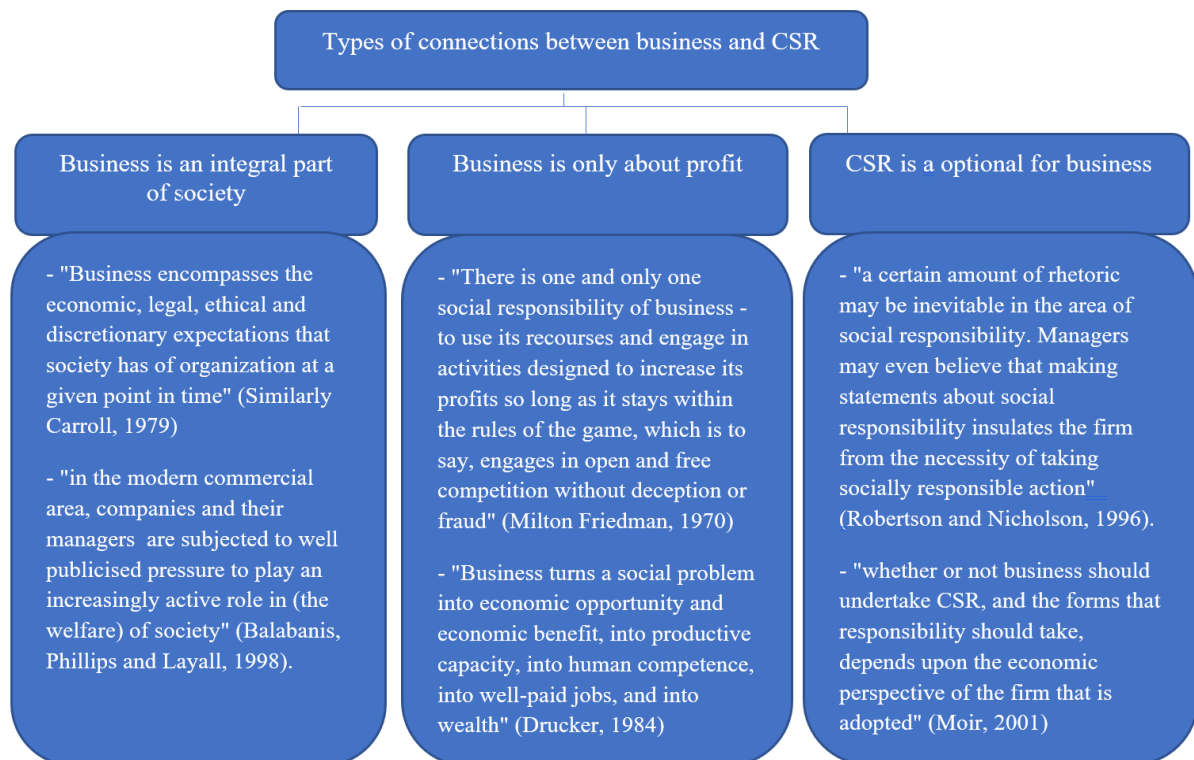
The development of CSR in Ukraine is in the active progress. More and more large Ukrainian companies are implementing a CSR strategy into the core strategy of their business. While micro, small and medium-sized enterprises provide corporate social responsibility more intuitively than consciously highlighting it as a separate business development strategy.

The analysis of international, European and domestic Ukrainian state support for CSR provides the basis for the conclusions that:

- despite the significant support of CSR at the top management level, it remains avoluntary right of every business and needs additional informational support and popularization in the business environment in order to stimulate management to its implementation. This is especially true for SMEs;
- updating standards and regulations took place in the post-crisis period (global financial crisis, global pandemic COVID-19). None of the documents offers an anti-crisis algorithm of action in crisis situations with a demonstration of the model "Emergency action now for the future prosperity" in real or simulated form. Accordingly, companies do not have clear examples of emergency changes in the structure of existing CSR strategies that have led or are projected to have a positive impact on the sustainable development of companies and society.

The CSR strategy is an important tool for the effective implementation of corporate social responsibility. Having a strategy allows businesses to monitor and regulate the progress of CSR initiatives, respectively measure their impact on key objectives. As already noted, business in the general sense can be represented in three dimensions of sustainable development, respectively, and the shade of the CSR strategy can be shifted towards a certain dimension. For a deeper understanding of the conceptual features of CSR strategies, we should look at the history of corporate social responsibility as a concept of business development. In the scientific and practical literature, there are different definitions of CSR, which also to a greater extent

determine the affiliation of corporate social responsibility to the economic, social, environmental dimension, as well as the importance of CSR in general for company development (Fig. 2).

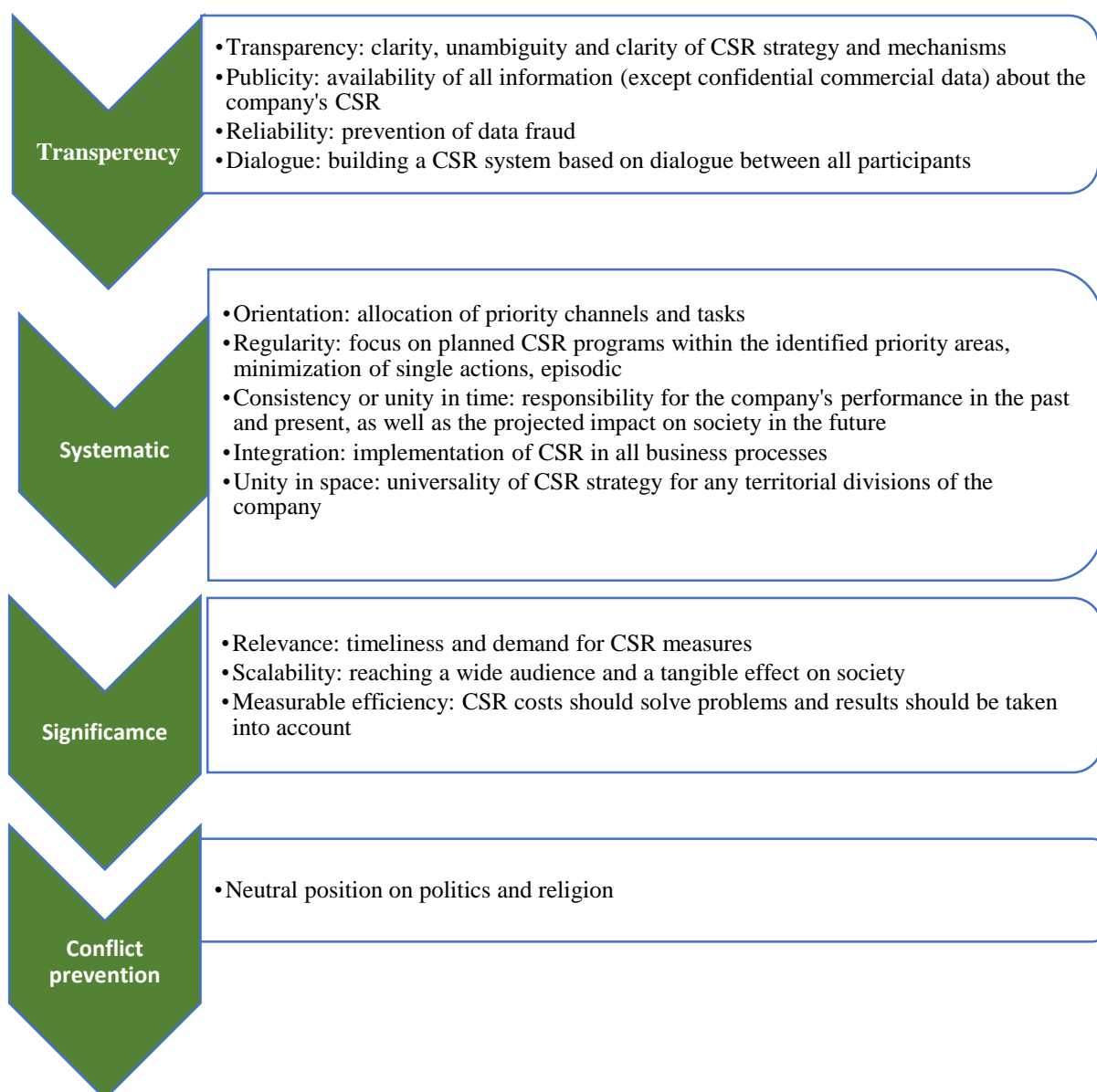


**Figure 2.** Types of connections between business and CSR.

Source: (Crowther, Aras, 2008).

Thus, the CSR strategy is based on an intra-corporate vision of social responsibility and an understanding of what the expected outcome is for stakeholders. While intra-corporate visions may be different and affect the concept of CSR strategy, the principles of CSR are mandatory when implementing a CSR strategy in other business processes (Fig. 3).

In this study, the CSR Strategy is proposed to be considered as a set of business processes that are implemented in the overall business development strategy. It should be borne in mind that the CSR strategy may affect the business plan of the enterprise, requiring coordination with other business goals. For example, such as increasing attractiveness to investors, increasing customer loyalty, increasing attractiveness to investors, reducing operating costs and more. Strategic business goals are the basis for the formation of CSR strategy, and the KPI of CSR strategy should be correlated with the key KPIs of strategic business processes. This approach ensures long-term efficiency and supports continuous investment in CSR initiatives. This aspect related to operationalization of CSR by the key KPIs will be discussed in a summary part of text.



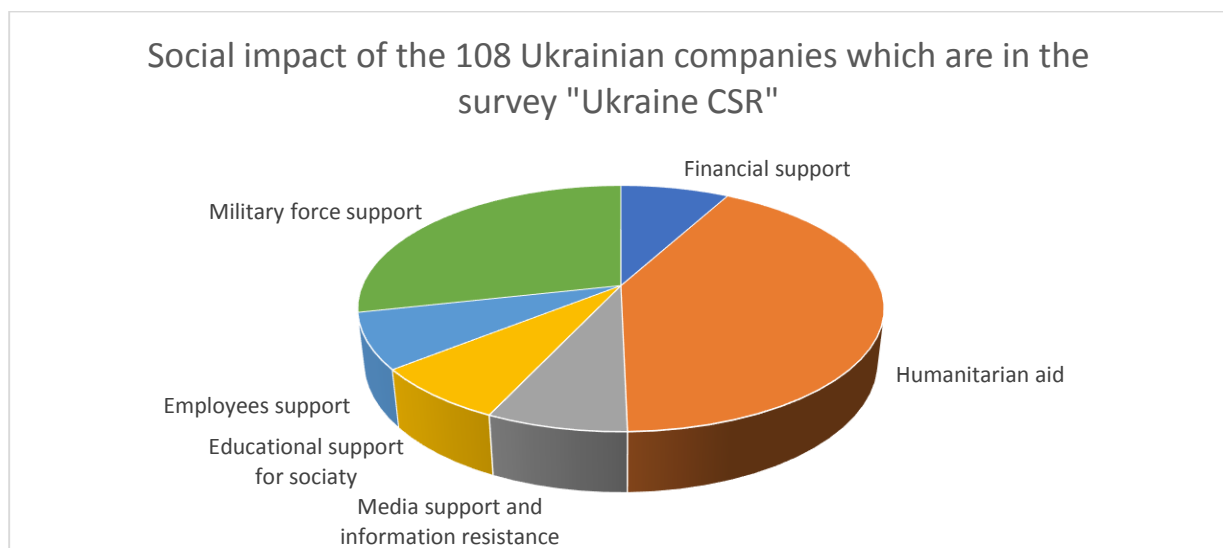
**Figure 3.** CSR principles that are included in the CSR strategy.

Source: (Sheehy, 2015).

In conditions of socio-economic instability, businesses must use flexible methods to implement the CSR strategy and develop an anti-crisis algorithm of formation/adaptation, which proves the second global crisis in 5 years. The military conflict in Ukraine is an example of how the world can quickly unite to support the armed forces and civilians in resisting the aggressor. During the first two months of the war, Ukrainian and Polish companies spent insane financial, material, and intangible resources in support of Ukraine. To record the contribution of business in resisting Russian aggression, the Ukrainian CSR Development Expert Organization created a Catalog of Business Contributions in the Russian-Ukrainian War. To date, the cases of 108 companies that have made their regional and or national contribution to the fight against Russia's military aggression have been collected.

The contribution is fixed by category (Fig. 4):

- financial support (transfer of funds, advance payment of taxes, business combinations for joint work);
- humanitarian aid (evacuation, food and essentials, medicines);
- military support (purchase of military equipment, machinery, food, medicine);
- media support and information resistance (fight against Russian propaganda, creation of information appeals both inside the country and abroad, etc.);
- information support of the society (open resources for education for both children and specialized vocational training/retraining for adults);
- employees support (financial support of families, relocation to safe places).



**Figure 4.** Social impact of the 108 Ukrainian companies which are in the survey "Ukraine CSR".

Source: ([csr-ukraine.org/catalog-actions-of-companies-in-the-russian-ukrainian-war](https://csr-ukraine.org/catalog-actions-of-companies-in-the-russian-ukrainian-war), 2022).

The chart shows that the largest resources are spent on humanitarian aid and military support. Large companies also noted their contribution by paying taxes in advance, which has a supportive effect on Ukraine's economy. Strong public and private aid came from Poland. Since 24 February, about 3.5 million Ukrainian refugees have crossed the Polish border, the border guard announced. On Wednesday 17th of May, 21,500 Ukrainians entered Poland, while 28,000 returned to Ukraine. In total, about 1.38 million Ukrainians have left Poland and returned to Ukraine. After 85 days of the war in Ukraine Poland is a country which received the biggest number of refugees. The European Commission is to disburse €248 million among the member states that accepted the most refugees from Ukraine fleeing from war.

The European Commission will grant Poland €144.6 million from the Asylum, Migration and Integration Fund for helping refugees from Ukraine, while Romania, the Czech Republic, Hungary and Slovakia will receive €39 million, €27 million, €21 million, and €15 million respectively ([www.unhcr.org](https://www.unhcr.org), Poland to receive..., 2022).



International non-governmental organizations joined the assistance, including: *People in Need, Red Cross, International Medical Corps, CARE, UNHCR, the UN Refugee Agency, OutRight Action International, Save the Children, SOS Children’s Villages, Mercy Corps, Medical Teams International, World Health Organization Foundation, Alight, International Rescue Committee, Direct Relief, GlobalGiving* and other.

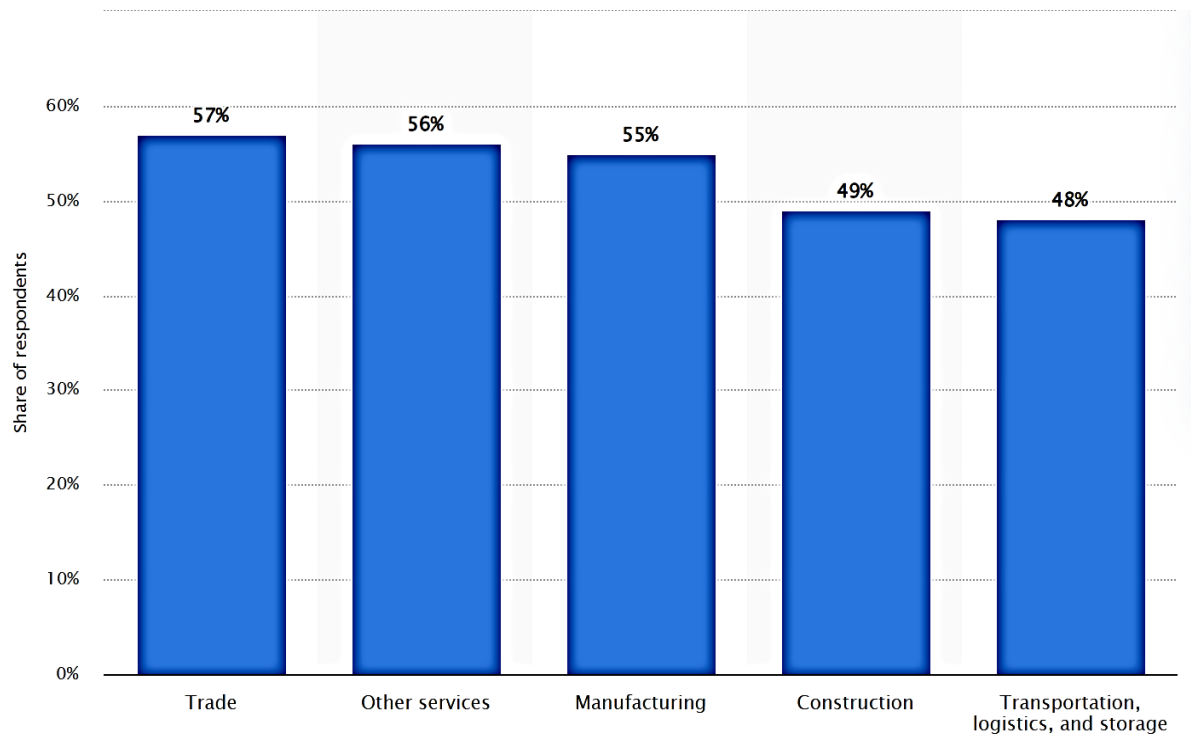
Since the beginning of Russia's military invasion of Ukraine, Polish business has joined with support through humanitarian aid to Ukraine and in support of Ukrainian refugees who were forced to leave Ukraine. A state aid program Pomagamukrainie was created to effectively coordinate aid to Ukraine. According to the Polish state resource [www.gov.pl](http://www.gov.pl) individuals, companies and other institutions (from outside Poland) interested in providing material aid in Poland can help using two ways using resource [www.pomagamukrainie.gov.pl](http://www.pomagamukrainie.gov.pl) (Fig. 5) ([www.globalcitizen.org](http://www.globalcitizen.org), 30 Meaningful..., 2022).

Two ways of material aid from Poland to Ukraine using a program <a href="http://www.pomagamukrainie.gov.pl">www.pomagamukrainie.gov.pl</a>	
<p>Transferring aid to the Polish institutions, if there is no recipient on the Ukrainian side.</p> <p>The aid will be directed to Polish hubs, and then coordinated by Polish institutions to Ukraine.</p>	<p>Transferring aid directly to the Ukrainian side (if they have their partner on the Ukrainian side).</p> <p>The transit of convoys with humanitarian aid through the territory of the Republic of Poland on the border with Ukraine takes place through two border crossings: Dorohusk and Korczowa.</p>

**Figure 5.** The specific of a state aid program Pomagamukraini.

Source: ([www.globalcitizen.org](http://www.globalcitizen.org), 30 Meaningful..., 2022).

Order to information portal [www.statista.com](http://www.statista.com), since the beginning of Russia's invasion of Ukraine in 2022, one out of every two companies in Poland has been involved in helping Ukraine, with companies from the trade sector accounting for the most significant percentage (57 percent) (Fig. 6).

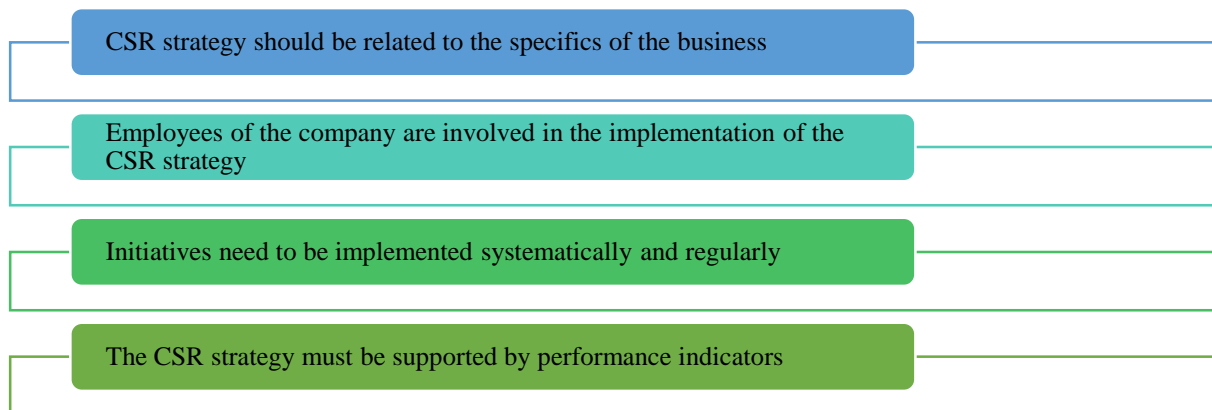


**Figure 6.** Share companies involved in helping Ukraine in Poland in 2022, by sector.

Source: (Share of companies involved in helping Ukraine in Poland in 2022, 2022).

## Findings

Ukrainian and Polish businesses spend resources on social needs, decisions are made in a short time. But are such actions on the part of business a corporate social responsibility? Are they a newly created or adapted CSR strategy within the existing business structure? Given the criteria that determine the social contribution of business as CSR (Fig. 7), such one-time or short-term social impact does not meet the concept of CSR. In addition, most companies in the pre-war period were not related to the social problems they joined after February 24, 2022.



**Figure 7.** Criteria for SCR business strategy.

Source: own work.

As part of this study, indicators were monitored that characterize changes in the structure of CSR business strategy in Ukraine and Poland. The questionnaire was developed with the key elements of its formation. The survey was conducted in the fourth month of the war. All answers were asked to be represented in two timelines:

- "N" questions - before Russian-Ukrainian war;
- "W" questions - after the 24th of February 2022.

Company representatives were asked to specify changes in the CSR strategy in each step of the questionnaire ("W" questions), if their company accepted changes in support of Ukraine (financial support for military force, civil society, employment support for Ukrainians, inclusion, solidarity policy, etc.). For example, the company was following the Environmental dimension supporting waste reduction before Russian invasion of Ukraine. After the start of the war, the company made decision to follow the direction of the contribution to society.

The Questionnaire included 6 questions about 6 aspects of the basic field of CSR in the company (Dionisio, de Vargas, 2020; Wolska, 2013; Mirvis, Herrera, Googins, Albareda, 2016).

The identification of changes can help to understand the company's impact now for the own developmental prospects in the future. The structure of the Questionnaire is:

**1 step:** General information about the company:

- Name of the company;
- Location of company's activity;
- Location of company's activity;
- Field of activity;
- Size of the company: micro company, small company, medium-sized company, big enterprise, other;
- How long has the company been implementing CSR?: less than 5 years, from 5 to 10 years, more than 10 years;

- Contact info of the company representative taking part in the questionnaire: name, email;
- Consent to the use of answers in public research results: author's publication, presentation within the University scientific community.

**2 step:** Identification of the Sustainability Strategy of the company, which defines the CSR Strategy:

- Economic dimension: creation of economic value, generation of economic development, none;
- Social dimension, including internal and external levels: work life quality, employees wellbeing, contribution to society, welfare in general, product responsibility from the side of consumer's health and safety, none;
- Environmental dimension: environmental management, waste reduction, efficient materials use, efficient waste management and improvement in the product design in all stages of its life cycle, none.

**3 step:** Identification of the stakeholders (individuals or group that has an interest in any of CSR implementing decision or activity of a company/organization):

- Organization's: management, shareholders, employees, associates, none;
- External: clients, banks, distributors, suppliers, none;
- Society's: community, NGO's, government and regulating entities, environment, none.

**4 step:** Identification of the strategic goals of the CSR (to satisfy shareholder's expectation):

- Financial: economic value added, income, use of material and financial resources: hire productivity of actives, better capital use, cost decrease;
- Customers: client's satisfaction, customer offer development to differentiate from competitors, clients and markets portfolio (diversification, internationalization, new clients), client retention, none;
- Internal business-processes: operational excellence in the production and distribution processes (quality, efficiency, productivity); identification market needs and product/service portfolio improvement to satisfy them; post-sale service, none.

**5 step:** Identification of determine the CSR policy according to strategic objectives:

- Company Value Policy: organizational governance, anti-corruption, responsible political involvement, fair competition, promoting social responsibility in the value chain, respect for property rights;
- Workplace Policy: employment and employment relationships, conditions of work and social protection, social dialog, health and safety at work, human development and training in the workplace, human rights: resolving grievances, discrimination and vulnerable groups, fundamental principles and rights at work;

- Environmental Policy: prevention of pollution, sustainable resource use, climate change mitigation and adaptation, protection of environment, biodiversity and restoration of natural habitats, none;
- Marketplace Policy: fair marketing; factual and unbiased information and fair contractual practices; protecting consumers' health and safety, sustainable consumption, consumer service support, and complaint and dispute resolution; consumer data protection and privacy; access to essentials services; education and awareness; none;
- Community Policy: community involvement, education and culture, employment creation and skills development, technology development and access, wealth and income creation, health, social investment, human rights (economic, social, and cultural rights due diligence, human rights, risk situations, avoidance of complicity), human rights: civil and political rights, none.

**6 step:** Identification of strategic indicators of CSR's positive impact on company's development:

- Sales increase;
- Operative costs decrease;
- Work stability increase;
- Productivity and quality increase;
- Innovative level increase;
- Risk reduction related to stakeholders requirements;
- Vigilance reduction;
- Enhancement of clients' loyalty;
- Clients retention;
- Improvement in image and reputation before clients and other stakeholders;
- New clients attraction;
- Human capital: talent attraction and retention;
- Human capital: strategic skills and competences;
- Human capital: working conditions and employees welfare;
- Organizational capital: organizational culture and leadership, alignment with the strategy, team work and knowledge management;
- Organizational capital: social contribution;
- Other.

There are 30 companies from Ukraine were invited to participate in the Questionnaire including the information support of the coordinator of the Committee for Industrial Ecology and Sustainable Development of the European Business Association. In fact, 10 companies from micro-businesses to large companies took part in the survey.

Requests to participate in the Questionnaire were sent to 16 Polish companies from various fields of economic activity, including: *Nordea, Amazon, BNP Paribas Bank Polska, PEPCO Group Limited, Starbucks Poland / Starbucks Central Europe, Enterprise Solutions, Samsung Electronics Poland, Enterprise Solutions, Bosch, LPP S.A., Grupie Eurocash, Integer.pl, EWL Group, PwC Polska, Schenker sp.zo.o., Employer Branding Institute, CodeTwo Software.*

The main reasons for non-participation of Polish business representatives were:

- unwillingness to disclose details of intra-corporate strategy;
- lack of CSR as an established business strategy;
- a short period of time to establish trusting contacts with enterprises and their participation in the study.

Thus, it was possible to analyze changes in the structure of the CSR strategy based on the answers of 10 Ukrainian enterprises, which are summarized in the table below.

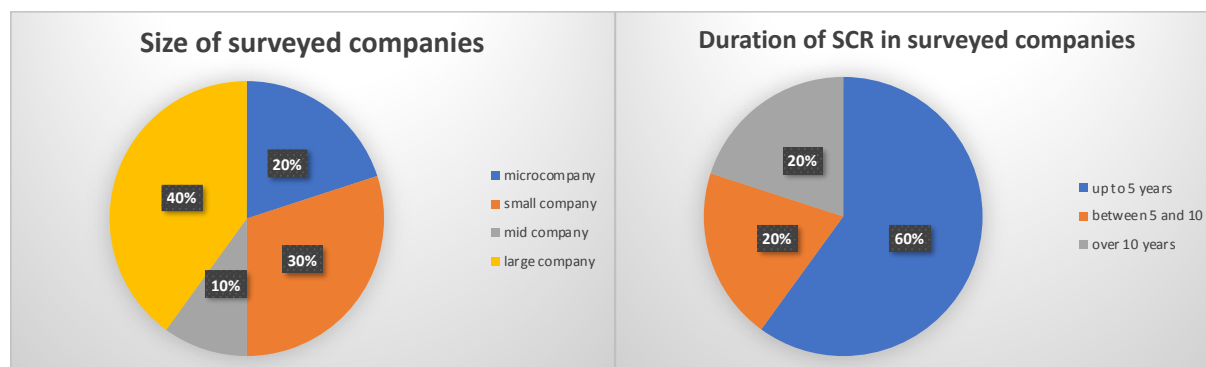
**Table 1.**

*Description of 10 Ukrainian enterprises which took part in a Survey*

Name of the company	Field of activity	Location of company's activity	Size of the company	Duration of the CSR implementation		
				less than 5 years	from 5 to 10 years	more than 10 years
National Energy Company	United Energy System of Ukraine	Ukraine , Member of the European Continental Energy Community ENTSO-E	Big enterprise	+		
Bayer	Pharmaceutical and agricultural	Ukraine	Big enterprise			+
Agrocenter, LLC	Agriculture	Ukraine	Big enterprise	+		
Malynovsky glass factory	Glass containers production	Ukraine	Big enterprise			+
Dniprokranservice, LLC	Metal structures production	Ukraine	Medium-sized company		+	
Ukrainian Investment and Analytical Company, LLC	Auto trade and financial leasing	Ukraine	Small	+		
Individual entrepreneurship	Online commerce	Ukraine	Small	+		
Sport Service, LLC	Sport goods distribution	Ukraine	Small		+	
Individual entrepreneurship Pus VM	Construction	Ukraine	Micro	+		
Prism Foundation NGO CF	Charity, social entrepreneurship	Ukraine	Micro	+		

Source: own study.

Among the enterprises that joined the survey - 40% are large companies, 30% - business, 20% - micro-enterprises and 10% - middle-sized enterprises. According to the criterion of the term of implementation of CSR strategy in business, the term "less than 5 years" prevails, which was noted by 60% of enterprises (Fig. 8).



**Figure 8.** Characteristics of the companies that participated in the survey.

Source: own study.

**Table 3.**

*Percentage expression of enterprises that have made changes to certain categories of CSR strategy since the beginning of the war in Ukraine*

Sustainability Strategy of the company			Stakeholders		
Economic dimension	Social dimension, including internal and external levels	Environmental dimension	Organization's level	External level	Society's level
50 %	70 %	50 %	30 %	20 %	40 %
<b>Strategic goals of the CSR</b>					
Financial		Customers		Internal business-processes	
50 %		70 %		70 %	
<b>CSR policy according to strategic objectives</b>					
Company Value Policy	Workplace Policy	Environmental Policy	Marketplace Policy	Community Policy	
30 %	20 %	20 %	20 %	40 %	
<b>Strategic indicators of CSR's positive impact on company's development</b>					
30 %					

Source: own study.

The first key issue that affects the further formation and development of CSR strategy is the choice of Sustainability Strategy of the company, which defines the CSR Strategy. According to this parameter, obvious changes took place in the Economic dimension category. Namely, half of the respondents in this category changed their economic orientations.

In the "Social dimension, including internal and external levels" category, only three enterprises maintained the pre-war CSR benchmarks. For example, "Sport Service, LLC" decided - "After the start of the war, the company decided to go in the direction of financial support of the Armed Forces and humanitarian aid to all segments of the society, where the fighting took place and is taking place". "Dniprokranservice, LLC" also made decision in

support of community safety. A change in their social orientation was - "Support for the defense of the region through the development of metal protective anti-tank structures". "Ukrainian Investment and Analytical Company, LLC" noted a decrease in CSR funding for projects aimed at supporting the well-being of employees.

As for the "Ecological dimension", there were no changes in the development guidelines, but financial support for the projects decreased, which suspended their implementation.

Regarding the second strategic issue - Changes in stakeholders, 70% of companies have not changed their priorities. At the organizational level, CSR beneficiaries remain management. Changes in support of the company's employees occurred in 30% of enterprises. At the external level, 90% of enterprises remained the main CSR stakeholders. The main strategic task for the business was to retain existing customers.

In the category of impact on society, 60% of companies have not changed their development. While there are changes in the interaction with NGOs. The reason for this may be targeted social assistance, which minimizes cooperation with NGOs.

Half of the surveyed enterprises changed the strategic goals of CSR. In general, the primary goals are "Income" and "Use of material and financial resources: hire productivity of assets, better capital use, cost decrease".

"Customer satisfaction and retention, clients and markets portfolio: diversification, internationalization, new clients" were strategic goals of the pre-war period for 80% of enterprises. After the start of the military invasion, 70% of enterprises changed their strategic goals.

"Operational excellence in the production and distribution processes: quality, efficiency, productivity" and "Identification market needs and product/service portfolio improvement to satisfy them" were the main goals of supporting and developing business processes of more than half of enterprises before the war. In this category, half of the enterprises kept their strategic goals unchanged.

Changes in the concept, strategic goals, stakeholders inevitably lead to changes in CSR policy. According to the statistics of answers, there is an irrelevant picture. 70% of enterprises did not change their CSR policy. In the category "Company Value Policy" increased attention to Organizational governance and Fair competition. 80% of enterprises left unchanged the Workplace policy, Environmental Policy, Marketplace Policy. Significant changes took place in the Community Policy of 30% of surveyed companies that added changes in the category of Social investment.

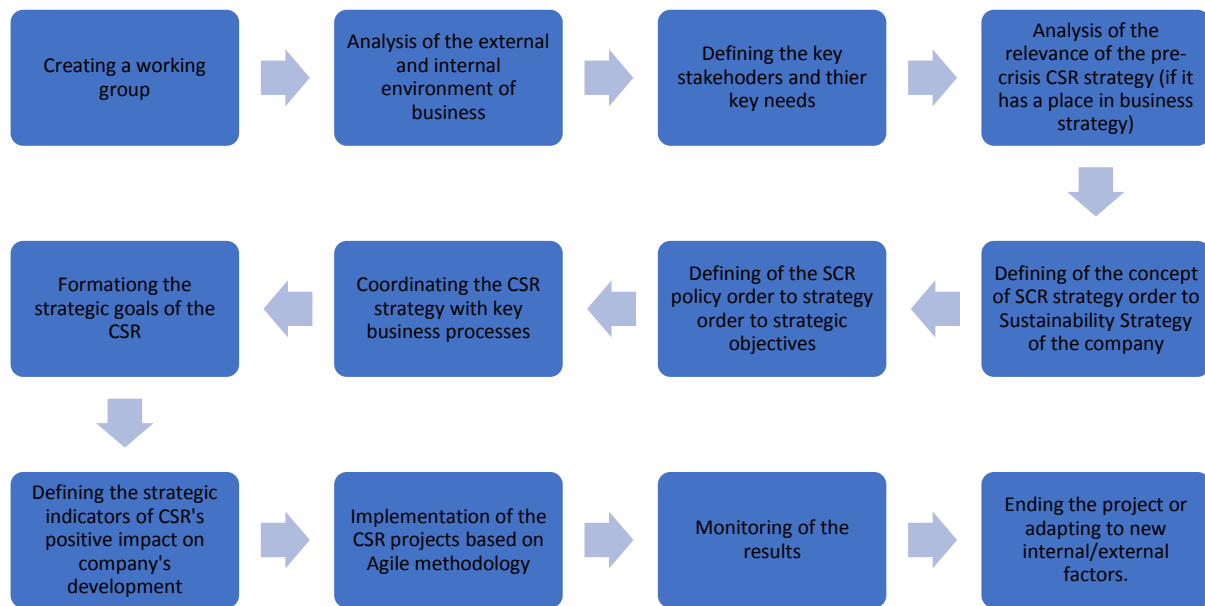
The CSR strategy meets the criterion of measurability, and therefore all changes that are made to the current strategy or when formulating a new strategy must be adjusted to the strategic goals of CSR. According to the survey, half of the enterprises changed their strategic goals, while the rate of change in the strategic indicators of the positive contribution of CSR changed by 30%. This result demonstrates the need for changes in the enterprise management system.



## Practical and research implications

As a result of the above study on changes in CSR strategy in crisis conditions as the War in Ukraine, the implementation of the algorithm "**Emergency Reflection Algorithm**" in the enterprise management system is proposed by authors. There are following assumptions and stages of this algorithm, which can be assumed as best solution in the time of crisis as war (Fig. 9):

1. The algorithm of formation/adaptation of the CSR strategy "Emergency reflection algorithm" takes place based on 12 basic stages.
2. Establishment of a working group: competent employees involved in management, personnel, financial and marketing policy of the enterprise, whose main task is to integrate corporate social responsibility into key business processes of the enterprise in order to obtain positive socio-economic results.
3. Analysis of the internal and external environment of business: diagnosis of the enterprise and the portfolio of its assets, possible areas of investment, trends in internal and external environment.
4. Identification of key stakeholders (Organization's, External, Society's) and their key needs.
5. Implementation of the current analysis and relevance of the pre-crisis CSR strategy (if there is an existing CSR strategy).
6. Defining the concept of CSR in accordance with the Sustainability Strategy of the company (Economic dimension, Social dimension, including internal and external levels, Environmental dimension).
7. Defining the CSR policy according to strategic objectives: Company Value Policy, Workplace Policy, Environmental Policy, Marketplace Policy, Community Policy.
8. Coordinating the CSR strategy with key business processes.
9. Defining the strategic goals of the CSR: Financial, Customers, Internal business-processes.
10. Defining the strategic indicators of CSR's positive impact on company's development.
11. Implementation of CSR project/projects based on Agile methodology.
12. Monitoring of implementation results.
13. Completion of the CSR project.

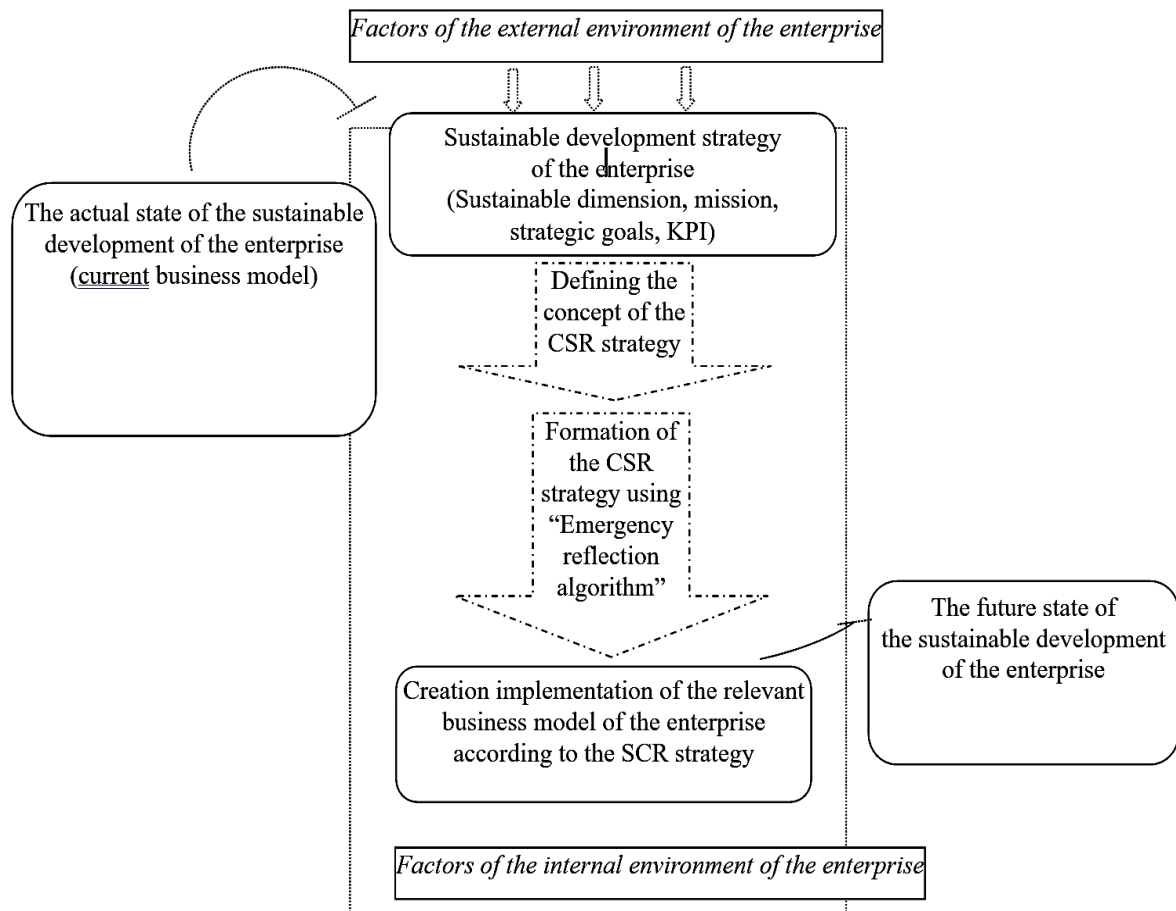


**Figure 9.** The structure of the Emergency Reflection Algorithm.

Source: own study based on: Ullah, Arslan, Puhakka, 2021; Vishwanathan, Van Oosterhout, Heugens, Duran, Van Essen, (2020).

## Originality/value

From the point of view of sustainable business development, such implementation is an effective tool for forming/adapting a CSR strategy in conditions of instability and rapid decision-making. Based on the Business Model Canvas (Vishwanathan, Van Oosterhout, Heugens, Duran, Van Essen, 2020), which is a tool for strategic management of business processes, companies can effectively monitor the achievement of established KPIs CSR strategy by transforming the plane of pre-war time in the plane of projected KPIs of future periods. The relationship between strategy and business model of the enterprise is presented in the (Fig. 10).



**Figure 10.** Connection between the business model and CSR strategy.

Source: own study by Vishwanathan, Van Oosterhout, Heugens, Duran, Van Essen, 2020.

Achievements of KPI of CSR projects are offered to be carried out with introduction of Agile methodology which helps to make progress flexibly created and adapted in order to achieve the desired results:

- focus on user needs,
- deliver iteratively,
- keep improving how your team works,
- fail fast and learn quickly,
- keep planning.

The implementation of the "Emergency Reflection Algorithm" will allow to fundamentally change the strategy in a situation of turbulent environment. At the same time to control all stages of implementation in accordance with the established parameters and the set strategic goals.

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