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**DEVELOPING AN INNOVATIVE MANAGEMENT STRATEGY FOR
SOCIAL RESPONSIBILITY IN AGRIBUSINESS****Kachula S.V. / Качула С.В.***d.e.s., prof./д.е.н., проф.*

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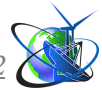
Abstract. *The paper examines an innovative strategy for managing social responsibility in agribusiness, which allows not only for the commercial success of the business but also for a positive impact on the social and environmental development of society. The mechanism for implementing the innovative strategy is discussed. The role of socially responsible business in shaping the innovation strategy for development is outlined. Factors are identified that will help agribusiness develop effective innovative strategies that meet their needs and contribute to the development of socially responsible business.*

Key words: *innovations, strategy, social responsibility of agribusiness, innovative development.*

Introduction. The formation and development of the domestic innovation system require the creation of an effective environment that will facilitate the utilization of the country's innovation potential through the integration of science and entrepreneurship. The main direction of implementing organizational and economic processes in the formation and development of innovative activities reveals the problem not only of using outdated technologies but also the involvement of commercial enterprises in the implementation of social programs associated with the Ukrainian system of organizing entrepreneurial activities, which is an important sphere of the national economy that influences the diversity and modernization of the economy. This is achieved by increasing the number of organizations engaging in socially responsible activities, developing the sphere of providing socially significant services, and enhancing the level of intellectual activity. The issue of business social responsibility has become one of the most relevant and researched topics in recent years. Nowadays, the need for targeted measures aimed at actions that have a positive impact on both the lives of employees within the enterprise and society as a whole becomes evident, contributing to positive changes in the surrounding environment, the development of innovative activities, and the implementation of innovative development strategies.

Main text.

Transitioning to a stage of state development towards an innovative economy entails shifting the focus of economic strategy from traditional sectors to innovative technologies, products, and services. This means fostering scientific research, nurturing innovative ideas, supporting startups and entrepreneurship, and creating a conducive ecosystem for innovative development. Such a transition aims to ensure sustainable and competitive economic growth, based on technological progress and the ability to adapt to changes in the global environment.



Rapid changes in technologies and consumer demands create the necessity for companies to enhance their products and services to remain competitive in the market. An innovation strategy is a plan or course of action aimed at creating and implementing innovative ideas, products, services, or processes within an organization or society at large. An innovation development strategy is an approach to business development that relies on actively implementing innovations and technologies to achieve competitive advantage and ensure sustainable company growth [4;7]. The strategy involves continually seeking new ideas, products, processes, or services that can provide the company with an advantage in the market. An innovation strategy may include the adoption of new technologies, the development of new products or services, the improvement of production processes, as well as expanding the business into new markets or sectors. It enables the company to adapt to changes in the business environment and ensures long-term competitiveness. The strategy encompasses elements such as research and development, partnering with other companies or institutions, creating a favorable innovation culture within the organization, as well as utilizing new technologies and methods to achieve competitive advantage. An innovation strategy helps organizations adapt to changes in society and market conditions, enabling them to develop and succeed in the future.

The concept of forming an innovative strategy for the development of socially responsible business involves not only companies making profits but also considering social, environmental, and ethical aspects in their activities. The innovative development strategy of socially responsible business involves combining innovative development strategies with principles of social responsibility. The essence of this strategy lies in creating synergy between achieving business goals and responsible behavior towards society, the environment, and other stakeholders. Key aspects of the innovation strategy include:

1) Innovation in products and services, involving the development of products and services aimed at addressing social issues or improving people's quality of life, including the development of new technologies that help reduce environmental impact or initiatives to support socially vulnerable groups.

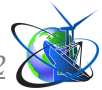
2) Openness to collaboration – interacting with other companies, governmental bodies, non-profit organizations, and academic institutions to jointly implement initiatives on social responsibility and innovation.

3) Environmental sustainability – reducing the environmental impact of production by implementing state-of-the-art environmental technologies and practices.

4) Human capital development – investing in training and development of personnel to ensure high-quality work and stimulate innovative development among employees.

5) Business model transformation, i.e., reviewing and adapting the business model to incorporate social and environmental aspects along with financial ones.

6) Driving social change – supporting projects and initiatives aimed at developing social structures and improving the quality of life for vulnerable population groups.



Overall, the innovation strategy for the development of socially responsible business aims to achieve success in commercial activities while simultaneously addressing the social and environmental demands of society.

Innovative development strategies for socially responsible businesses can be classified according to various criteria, such as the direction of innovations, the scale of their implementation, strategic goals, and others [3;5]:

1. Direction of innovations:

- product innovations: development of new or improvement of existing products or services with consideration for social responsibility.
- process innovations: implementation of new production or management methods aimed at reducing negative environmental and social impacts.
- marketing innovations: use of new approaches in marketing and communication that enhance awareness of the company's social responsibility activities and contribute to positive brand perception.

2. Scale of implementation:

- local innovations: changes occurring within a specific organization or at the local level.
- global innovations: large-scale changes aimed at developing socially responsible business at the international relations or global market level.

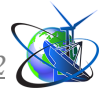
3. Strategic goals:

- environmental sustainability: innovative strategies aimed at reducing the business's ecological footprint and its impact on the environment.
- social justice: measures aimed at ensuring fair and ethical treatment of employees, consumers, and other stakeholders.
- economic sustainability: strategies aimed at ensuring the financial stability of the company while balancing economic, social, and environmental aspects.

Classifications can be used to analyze and develop specific strategies for innovative development of socially responsible businesses according to the needs of a particular organization and its goals.

The formation of an innovative strategy for the development of socially responsible business is influenced by various factors. Firstly, there are social and environmental challenges that put increased pressure on businesses to seek innovative solutions. Market needs and consumer demands also play a significant role as they shape perceptions of responsible business and increase the demand for innovative products and services [1]. Furthermore, competitive pressures compel companies to be competitive and to implement innovations to attract and retain customers. The resources and capabilities of a company, such as financial, technological, and human resources, influence its ability to implement innovations. Additionally, regulatory constraints and incentives, as well as the company's strategic goals and values, influence the formation of an innovation strategy by determining development directions and priority tasks. Taking these factors into account will help companies develop effective innovation strategies that meet their needs and contribute to the development of socially responsible business.

In our view, socially responsible business acts as a catalyst for innovation,



promoting sustainable development and competitiveness of the enterprise in the modern business environment. It plays a key role in shaping the innovative development strategy by fostering innovation, engaging consumers through positive brand perception, attracting talent, and forming partnerships with various stakeholders. It creates conditions for the development of new technologies, processes, and products that contribute to sustainable development, as well as attracts more customers and ensures a competitive advantage in the market, provides access to talented employees, and opens up opportunities for cooperation, fostering innovation and collaborative problem-solving. For example, in European Union countries, socially responsible business operates through various mechanisms, including legislation and regulation, voluntary initiatives, stakeholder engagement, community investment, ethical business management standards, and innovation incentives. [5]. Enterprises are actively engaged in implementing socially responsible practices aimed at positively impacting society and the environment, taking into account stakeholders' interests and adhering to ethical principles in their activities.

As for agribusiness, the innovative development strategy of socially responsible agricultural businesses involves combining innovative approaches to production and management with active attention to social, environmental, and economic requirements. This strategy entails the creation of innovative products and technologies that contribute to environmental conservation, improvement of living conditions for employees and the local community, as well as the development of partnerships with governmental and non-governmental organizations to collectively address important social issues and achieve sustainable development.

The development of innovative initiatives in the social responsibility of agribusiness is crucial for establishing a sustainable, environmentally friendly, and socially oriented agricultural sector. Among the key directions that can contribute to the development of innovative initiatives in the social responsibility of agribusiness are:

1. Environmentally friendly production. The development and implementation of innovative methods and technologies aimed at reducing the negative impact of agricultural production on the environment, such as efficient resource utilization, minimizing the use of pesticides and chemical fertilizers, and the adoption of organic farming practices.

2. Socially responsible practices. The development of corporate social responsibility programs aimed at improving the quality of life in local communities, ensuring high standards of safety and working conditions for the workforce in agriculture, supporting education, and rural development efforts.

3. Innovative methods of cultivation and processing of produce. Implementing cutting-edge technologies in agriculture, such as hydroponics, aeroponics, vertical farming, etc., to ensure more efficient land resource utilization and increased crop yields.

4. Development of agritourism and rural development. Creating innovative agritourism routes and programs that promote rural tourism development and attract investments to rural areas, while also contributing to the preservation and restoration of cultural heritage.



5. Advancement of digital technologies in agriculture. Adoption of artificial intelligence (AI), blockchain technologies, and other digital innovations to enhance production efficiency, crop monitoring, resource and market management.

6. Collaboration and partnership. Fostering partnerships between agribusiness, governmental bodies, civil organizations, and academic institutions to collectively address social, environmental, and economic challenges.

These directions can help agribusiness demonstrate greater social responsibility and become a driver of sustainable development in agriculture.

It is advisable to invest in the innovative activities of socially responsible agribusiness through a startup accelerator model, which reflects an approach to financing enterprises that combine innovation with social responsibility. The main idea is to promote the development of startups that not only offer innovative products or services but also have a positive impact on society or the environment. The startup accelerator model typically involves providing financial support, consultations, and other assistance to startups in exchange for a certain percentage of ownership or other terms of the agreement. These accelerators can be private, public, or partnership-based and are usually used to support the development of startups at the initial stage of their growth.

Socially responsible business typically sets itself the task not only of generating profit but also of solving social or environmental problems [2]. Investing in such businesses through startup accelerators allows for combining innovation with social responsibility, which can lead to significant societal or environmental impact alongside profit generation. Accelerators geared towards socially responsible business help make the business environment more open and foster the development of enterprises that have the potential to change the world for the better.

Conclusions.

The innovative strategy for economic development is critically important in the modern world as it fosters competitiveness of enterprises, production efficiency, stimulates economic growth, develops human potential, and ensures development sustainability, which is crucial in the face of constant technological changes and a global environment. The innovative strategy for the development of socially responsible businesses entails integrating social, environmental, and economic goals into all aspects of company activity with the aim of creating shared significant outcomes for both business and society. This innovative strategy is based on analyzing societal and environmental needs, developing innovative solutions, continuous efforts in their implementation, monitoring and reporting on results, as well as engaging stakeholders. Implementing innovations not only enables companies to ensure their sustainable development but also positively impacts society and the environment, improving people's quality of life and preserving the planet's resources for future generations.

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Анотація. В роботі розглядається інноваційна стратегія управління соціальною відповідальністю в агробізнесі, яка дозволяє забезпечити не лише комерційний успіх бізнесу, а й позитивно впливати на соціальний та екологічний розвиток суспільства. Розглянуто механізм реалізації інноваційної стратегії. Окреслена роль соціально відповідального бізнесу у формуванні інноваційної стратегії розвитку. Визначені фактори, які допоможуть агробізнесу розробляти ефективні інноваційні стратегії, які відповідатимуть їх потребам та сприятимуть розвитку соціально-відповідального бізнесу.

Ключові слова: інновації, стратегія, соціальна відповідальність агробізнесу, інноваційний розвиток