

Corporate Social Responsibility (CSR)



What does the above image mean?

CSR: Definition

Corporate Social Responsibility – **Ac**_____ taken by a firm that appears to further some **soc**_____ cause, beyond the interests of the **comp**_____ and what law and ethics require.

Examples: goods and services with “social” characteristics (e.g. organic produce) or *managerial* practices that promote a *social* objective, such as “progressive” HRM practices (equality, life balance)

Can you think of any other examples?

CSR: Evolving Viewpoints

CSR considers the **im**_____ of the company’s actions on society

CSR requires decision makers to take actions that **pr**_____ and **impr**_____ the **wel**_____ of society as a whole along with their own interests

CSR supposes that the corporation has not only **eco**_____ and **le**_____ obligations, but also certain responsibilities to **soc**_____ which extend beyond these obligations

CSR is the deliberate inclusion of **pu**_____ interest into corporate decision-making, and the honouring of a triple bottom line: **people, planet, profit**

Corporate Social Responsibility (CSR)

- Seriously considering the impact of a company’s actions on society
- Requires the individual to consider his/her acts in terms of a whole social system, and holds him/her responsible for the effects of acts anywhere in that system

Stakeholders:



Stakeholders....those who are affected by the firm's actions

Before we start to think about the issue of CSR

- Why do firms/organisations **exist**?
- What is their **purpose**?

So, where does **CSR** play a part?

What about NGOs (Non-governmental Organisations) such as Greenpeace, Oxfam



Business allegations

Business/capitalism has been accused of:

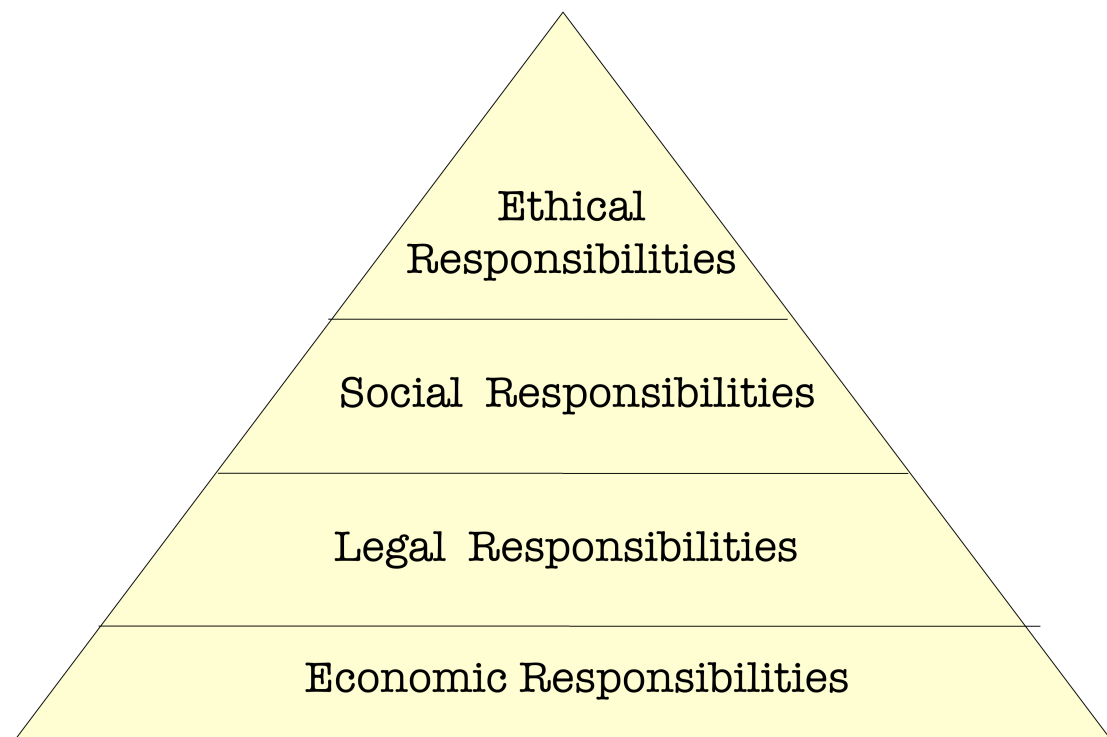
- Little concern for the **consu**_____ and **soc**_____
- Cares nothing about the deteriorating social order (gap between the rich & poor for example)
- Has no concept of acceptable **et**_____ **I** behaviour
- *Indifferent* to the problems of minorities and the environment

Is this true? Who is their loyalty to?

From the 1950's to the present, the concept of CSR has gained considerable acceptance and the meaning has been **broadened** to include specific issues, such as:

Acceptance and Broadening of Meaning

- Corporate governance (company rules/standards)
- Product safety
- Honesty in advertising
- Employee rights
- Environmental sustainability
- Ethical behaviour
- Global CSR



FOR	AGAINST
<p>The rise of the modern corporation created and continues to create many social problems. Therefore, the corporate world should assume responsibility for addressing these problems.</p> <p>In the long run, it is in corporations' best interest to assume social responsibilities. It will increase the chances that they will have a future and reduce the chances of increased governmental regulation.</p> <p>Large corporations have huge reserves of human and financial capital. They should devote at least some of their resources to addressing social issues.</p>	<p>Taking on social and moral issues is not economically feasible. Corporations should focus on earning a profit for their shareholders and leave social issues to others.</p> <p>Assuming social responsibilities places those corporations doing so at a competitive disadvantage relative to those who do not.</p> <p>Those who are most capable should address social issues. Those in the corporate world are not equipped to deal with social problems.</p>

Further arguments For CSR	Further arguments Against CSR
<p>Addresses social issues brought on by business, and allows business to be part of the sol_____</p> <p>Protects business self-interest</p> <p>Wards off future gov_____ intervention</p> <p>Addresses issues by using business <i>resources</i> and <i>expertise</i></p> <p>Addresses issues by being proactive</p> <p>The public supports CSR</p>	<p>Restricts the classic economic goal of profit maximization</p> <p>Business is not equipped to handle social activities</p> <p>Dilutes the primary purpose of business</p> <p>Increases the power of business</p> <p>Li_____ the ability to compete in a global marketplace</p>

For most of what we have just talked, some people ponder the question “isn’t this why we have **laws?**”

- THE LAW IS NECESSARY BUT INSUFFICIENT
 - THE LAW IS REACTIVE
 - THE LAW IS SLOW
 - BUSINESS IS CHANGE-ORIENTED & FASTER

- Consider the impacts for your future and your generation
- Big companies are getting larger and more powerful
- Resources in the world are becoming scarce (trees, oil, fish etc.)
- How do you want to live and be treated as a human being, worker and member of society?

CSR Homework:

Please find a **large Chinese corporation** that has a CSR policy (one that is in English too)

I would like you to analyse it by:

1. Giving a brief introduction of the company (and a website link for me)
2. Outline the main ideas and concepts of their CSR policy
3. Why do you think that they have the particular policies they do?
4. How do you think their CSR policy affects their stakeholders?
5. Anything else interesting that you think is important.

Deadline for the work: 12th November 2010

Send to me as a Word document via email to **lambtoncarl@gmx.com**

Summary of worksheet	Summary of worksheet in Chinese

In your opinion, what is the most important thing to remember?

What are the keywords from this worksheet?

English:	Chinese translation: