


# CORPORATE SOCIAL RESPONSIBILITY.

# Introduction to Corporate Social Responsibility (CSR)

- ▶ Corporate Social Responsibility is when a company operates in an ethical and sustainable way and deals with its environmental and social impacts.
- ▶ By definition it refers to voluntary actions that a business firm takes (with minimum legal requirements) to address its competitive interests and the interests of society.
- ▶ This is about corporate volunteering in various forms including philanthropic activities.
- ▶ Corporate social responsibility (CSR) is a topic of increasing importance in studies of business operations, not only in developed countries but also in developing countries.

# Introduction to Corporate Social Responsibility.

- ▶ However, today organizations are encouraged to concentrate on long-term strategic CSR (instead of only giving donations) by including CSR as one of management tools so as to encourage long term mutual beneficial relationships between an organizations and society.
- ▶ The practice has become widely accepted among enlightened organizations because such practice according to research also determines the survival of the business in long-term perspectives.
- ▶ It now appears that social responsibility is no longer exception but rule among other organizations.

- 
- ▶ Therefore for an organization to coexist peacefully and become successful in its community, three skills are required;
  - ❖ Determining what the community knows and thinks about the organization.
  - ❖ Informing the community of the org's point of view
  - ❖ Negotiating/mediating between the org and the community, and its constituents should there be a significant discrepancy.

- ▶ Basically, every organization or company wants to foster positive reaction to its community although sometime it becomes increasingly difficult in the face of protest and disagreements with community activists.
- ▶ The important point to note is that the existence of profit orgs. is an advantage to nonprofits and vice versa is true. Benefit of CSR or corporate volunteering to business firms.

# Benefits or Importance of CSR in an organization.

- ▶ Improves public image.
- ▶ Increase brand awareness and recognition
- ▶ An advantage over competitors ; as you gain more support from stakeholders by doing CSR.
- ▶ Increased customer engagement.
- ▶ Helps companies to attract and retain talent in their workforce.
- ▶ □Retaining customers
- ▶ □Increasing media opportunity
- ▶ Improving community and govt. relations

# PRINCIPLES OF CSR..

- ▶ Sustainability
- ▶ Accountability
- ▶ Transparency
- ▶ Ethical behavior
- ▶ Respect for human rights

