

Virtue matrix essay sample



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Virtue matrix can be used as a framework for assessing opportunities for sociably responsible behavior. Some of the ways in which it can be used as a management tool can be explained with following figure.

Fig 1: Virtue Matrix as a Management tool

There are several managerial implications of Virtue matrix . Some of the ways in which Management can use it as an management tool are explained below:

* CSR Innovation tool/ Competitiveness enhancement tool: Managers can be creative on the frontier part of the Virtue Matrix and create innovative CSR activities. E. g. Google’s social benefit for employees. These innovations not only provide immense goodwill for the company but also provide impetuous contribution for CSR civil foundation enhancement. Thus management can use it as a CSR innovation tool. These innovations also help to enhance the competitiveness of the firm.

* Value enhancing tool: Management can concentrate on the civil foundation quadrant of the virtue matrix and thus fulfill the expectation of the stakeholders of the company. Company can comply with the rule and enhance the value of the stakeholders.

* Averaging tool: In the world of globalization companies feel difficult to incorporate CSR activities in other countries; as each of the countries have their own civil foundation. Hence Global companies can create alliance and use the virtue matrix of different countries to average the civil foundation. These would help in global CSR enhancement.

* CSR balancing tool: Generally incorporating intrinsic CSR activities can benefit only community and not the shareholders. There are other CSR activities which benefit only firm and shareholders. Such CSR activity choice is a difficult management task. Hence management can use the virtue matrix for balancing Structural (intrinsic) and Strategic (instrumental) CSR activities . Management can use it to create balanced CSR activities and thus enhance the value of the firm. This would help to reduce the collision of shareholders and community interest

* Cost diminution tool: Working on the Structural quadrant of the virtue matrix company can provide CSR benefits the community but it does not provide value to the company. So Company needs to make structural CSR decision only if it has chances to be turned into Civil Foundation. Hence company can make appropriate choice between the CSR activities to gain cost and competitive advantage.

These are some management implications of virtue matrix.