

Csr

Linguistics, English



Corporate Social Responsibility Corporate Social Responsibility Define CSR
Corporate Social Responsibility refers to the commitment of a company to serve itself, shareholders, employees and other stakeholders of the company such as customers, the surrounding community and suppliers who are affected by the activities of the company. Corporate Social Responsibility management functions are usually aimed at striking a balance between the profit and non-profit functions of the business entity to the local community and any other third parties affected by the activities of the business entity. They are mostly related to the environment.

What the 3 element of CSR? (3Ps)

People

The first element of CSR which is about people regards the social issues of Corporate Social Responsibility (Clapp and Rowlands, 2014). They include health and safety of the clients consuming the company's products, the safety of the local people from the gaseous emissions of the company, workplace conditions for the employees and provision of a fair level of leisure for the human resource of the company.

Planet

The planet element of Corporate Social Responsibility regards the environmental issues. Issues under focus in this case is for instance pollution through noise from the production process of the company, congestion, climate change caused by the gaseous emissions of the company, management of the company's waste products, recycling and the use of alternative sources of energy like solar and wind.

Profit

Businesses run for the only reason of making the profit. The Corporate Social Responsibility element of profit regards the company's role in making profits and increasing the value of the shareholders' investments (Clapp and Rowlands, 2014). The blueprints that a company should focus on in order to best deal with the element of profit include the financial performance of the company, better investment decisions, human capital improvement, building business relationships and networks and the government subsidies.

2. What are the 2 zones of CSR and explain?

Conviction

Conviction refers to the case where the company does what it feels is generally accepted as ethical and right and voluntarily contributes to the local community by doing philanthropic projects (Clapp and Rowlands, 2014). Examples of Corporate Social Responsibility activities that fall under the zone of conviction include building bridges, sponsoring schools and starting foundations to fund the education of the needy children in the local community.

Compliance

Corporate Social Responsibility activities that fall under the compliance zone are those that enhance the company's compliance with the law and the various requirements of external regulations. Such activities include manufacturing products that meet the required quality standards.

3. What are the potential advantages of CSR for the company?

Corporate Social Responsibility activities of the company boost its reputation in the community. A good reputation earns the company good business relationships and enables it to attract skilled and well-trained employees.

Activities that entail much contact with the local community may increase the company's customer base.

4. What are the potential disadvantages of CSR for the company

There is a conflict between the profitability function of businesses and Corporate Social Responsibility activities. Most of the Corporate Social Responsibility activities are not profitable but philanthropic. Such voluntary activities to the local community do generate revenues for the business yet they are costly hence reduce the profitability of the business and the value of the shareholders' investments.

5. Should all companies adopt a CSR policy? explain your answer

Companies should adopt CSR policies but with moderation. The management must strike a balance between profit and non-profit projects that benefit the local community. The Corporate Social Responsibility policy adopted must be a balanced one with profitability as its overriding role.

6. Example for companies uses CSR effectively to enhance their work

The Fly Emirates Company sponsors football clubs in Europe, such as Arsenal F. C. It is able to win many customers through this sponsorship.

References

Clapp, J., & Rowlands, I. H. (2014). Corporate Social Responsibility. Essential Concepts of Global Environmental Governance, 42.