

Good corporate social responsibility and business growth research paper example

[Business](#), [Company](#)



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Research – Literature Review

Introduction

Corporate Social Responsibility has become valuable for many organizations and its concept is growing year by year for many companies. Corporate social responsibility is not only followed by manufacturing industry it is has also become an essential part of service businesses because of positive outcomes. Hilton hotel has a group of different hotel businesses in different countries and these all businesses are operating in an efficient way. Top management of Hilton hotel is also attracted for corporate social responsibility but there is not any research conducted which can provide clear contribution of Hilton for corporate social responsibility.

Corporate social responsibility is defined by many authors in different aspects. “ Actions that appear to further some social good, beyond the interest of the firm and that which is required by law.” (McWilliams & Siegel 2001) “ An action by a firm, which the firm chooses to take, that substantially affects an identifiable social stakeholder’s welfare.” (Friedman, M. 1970) Corporate Social responsibility is attributed as set of policies or

code of conduct designed by any company for social welfare of society.

Corporate social responsibility practices are integrated in all business operations with high concern for environment, community investment, human rights, or business ethics.

Business growth of Hilton hotel can be assessed in different terms; additional product line, additional market, more revenue, or more reputation. Business growth of Hilton Hotel can be increased if it is performing its business operations according to its target market's interests. Hilton Hotel is not only interested in sustainability of its business operations but it also wants to expand its business operation to capture new markets and generate more revenues for longer period of time. Management of Hilton Hotel has assumed that its contribution for corporate social responsibility is required to be assessed in such a way that it can provide information in term of sustainability and growth. This research will assess this growth which is contributed by corporate social responsibility.

Eighty percent of companies have management and strong infrastructure for responding to social and environmental needs of society. (James Robinson 2012) Remaining companies are also planning for doing this in future.

Corporate social responsibility is considered as strong sustainability factor for companies because this is the only factor which makes popular any company among its stakeholder without performing any business activity.

The involvement of top management for being involved in corporate social responsibility makes Hilton Hotel more attractive for society and other stakeholders. An effective corporate social responsibility strategy and

communication have contribution to sustainability of company in which it grows and by doing this they earn “ license to grow”

Scope of Research

There is high relevance of corporate social responsibility and business practices in Hilton Hotel so there are requirement of considerable research on outcomes of corporate social responsibility. There are scarce investigations about relationship of corporate social responsibility and business growth in hotel industry. Corporates social responsibility has its positive impact on trust of all stakeholders. (Mallen Baker 2014) They consider corporate social responsibility as factor of excellence. It is also assumed in hotel industry that hostel business is considered as more efficient if it has high involvement in corporate social responsibility issues.

There percentage of hotel companies which are utilizing CSR policies is more than the percentage which are not utilizing according to a survey of top ten hotel companies. (Judy L. Holcomb 2007) It is required to conduct research in a single business rather than industry. There is requirement of Peak performance of any hotel business is considered as more involvement in this framework and low performance lead the hotel industry for less involvement in corporate social responsibility issues. (Christian Homburg, Marcel Stierl & Torsten Bornemann 2013) Many hotel businesses are hiring now corporate social responsibility officers who manage the corporate social responsibility issues in an organized way to make the highest involvement of hotel business in corporate social responsibility issues.

Corporate social responsibility has created campaigns to improve

stakeholders' sensitivity towards social and environmental matters. (NH Hotels, 2011b, p. 26) Research is conducted here to get information about sustainability and growth of Hilton Hotel contributed by its corporate social responsibility. Hilton hotel is contributing for social work and as a result it is getting economic benefits, these benefits are contributing for sustainability and growth of its business. This contribution is assessed here for getting recognition about feasibility of corporate social responsibility in Hilton hotel. This feasibility will also provide information about corporate social responsibility in hotel industry and its benefits for longer period of time.

Literature Review

Corporate social responsibility in many cases underlines its importance of accountability because of its potential role for business development. UN Corporate Accountability convention would legally ensure the companies for their involvement in corporate social responsibility issues. It is important for Hilton Hotel to be involved in social and environmental issues for providing social benefits to the community in which it is operating its business operations. Corporate responsiveness by many hotel businesses has played its role for improvement of society by eliminating poor and creating justice. (PETER NEWELL & JEDRZEJ GEORGE FRYNAS 2007) People's development by hotel businesses provides a positive image of hotel business on the basis of being citizen of any country.

Much contribution for corporate social responsibility has suggested the issues that world of corporate social responsibility groups will perform for the poorer groups of society on priority basis. Corporate social responsibility

initiatives advocate their roles and responsibilities for its sustainability among society. Assessing corporate social responsibility from different dimensions has important contribution for society and Hilton business itself. Encouragement of hotel firms for their involvement in social and environmental issues is unrealistic. There are standards and code of practices which are adopted by hotel industry for longer contribution for society and as a result get popularity among people.

The developmental issues of any government can also be contributed by the hotel industry. Its contribution will provide a platform for them to interact with government and as a result there will be good will of hotel industry for being involved in developmental work and on the other side get some benefits from government after completion of developmental plans. (Craig Wilson & Peter Wilson 2008) Implication of corporate social responsibility has its impact on poverty and developing ethical and social scenario among society people. Corporate social responsibility directs the society people to contribute for their own society.

Chief executive officers of many hotel companies have accountability for different stakeholders; customers, investors, and employees. The nature of this relationship is being changed due to involvement of corporate social performance of organizations. It is seemed that there is strong relationship between the hotel businesses' executives and stakeholders when performance of corporate social responsibility is high. The concept of globalization and emergence of internet has also influenced the top management to be involved in corporate social responsibility issues. Open information system is implemented by many hotels to show the public about

their social work. Leverage transparency is being increased for engagement of stakeholders in social work of any hotel business. Corporate social responsibility has become dimension of successful competitive strategy because it has potential to influence the relationship of hotel business with its stakeholders.

Most successful businesses are showing their proactive behavior for high level corporate social responsibility implementations. (MacGregor & Fontrodona 2008) The purpose of every company is to get popularity among its stakeholders. This popularity can be gained by any innovation or corporate social responsibility and it is easy for any company to adopt the corporate social responsibility for being popular among its stakeholder in shorter period of time. Corporate social responsibility play its role for hotel business to make stronger its position in its industry but mostly risk-averse. (Selma Kurtishi, & Gjilnaipe Bexheti 2013) Innovation of any Hilton hotel business is considered as risky but corporate social responsibility has potential to reduce the risk. Innovation and corporate social responsibility both are factors of competitiveness for any hotel business but there are more requirements of budget and risk for innovation. Corporate social responsibility is an ethical framework which provides a platform for hotel industry to create value in an efficient and organized way.

Corporate social responsibility can be integrated by approaching the EFQM model. Corporate social responsibility integration of any company for its business operations has its effect on business performance. Many companies have implement corporate social responsibility with its strong link to EFQM evaluation.(Malte Kaufmann 2012) There is clear commitment between

corporate social responsibility and excellence for any business. If there will be excellence it will be considered as high involvement of business for environmental and social issues. Furthermore EFQM model provides ideal framework for measurement of corporate social responsibility of any company and its impact on business performance.

For measurement of impact of corporate social responsibility on business performance and indirect approach is also being utilized. Business performance and corporate social responsibility cannot be easily isolated. For measurement of corporate social responsibility on business operations of Hilton Hotel business it is required to get information from different stakeholders or specially from the society people who get direct benefit of social work performed by any hotel business. The measurement of excellence by corporate social responsibility is not a right approach because excellence of any hotel business has involvement of multiple factors which contributed for business's excellence.

Corporate social relationship provides social relationship with community. Corporate social responsibility provides a platform for industry to interact with common public without performing any business activity. (Waddell, S. 2007) Social responsibility of Hilton hotel provides economic benefits to society and it provides also a platform to work with NGO's. The contribution of Hilton Hotel for any social benefit with collaboration of any NGO's, succeeds the business for longer period of time. There are many hotel businesses which have collaboration with NGO's to work for human resources or safety or global climate. The strategic decisions of any hotel business's management are mostly according to the corporate social

responsibility for getting goodwill.

Corporate social responsibility has now embraced all the stakeholders (employees, customers, suppliers, government, society, environment, and local authorities). It has become important for all hotel businesses to become socialize if they want to get consideration from these stakeholders.

Stakeholders prioritize Hilton hotel because of its social work for their society. Stakeholders expect social benefit from its business and as a result it gives economic benefit to this hotel business. This economic benefit becomes the reason for Hilton's business to grow.

Overall health of hotel industry effects by corporate social responsibility.

Corporate social responsibility has become a factor of excellence for all the companies.(Alessia D'Amato 2009) Corporate social and environmental responsibility have become agenda of business leaders now, and they have accepted the reality that if they want to make popular their businesses then they will have to perform social work. World leaders are now concerned that they must have capacity and resources for their contribution for social work so they can get long term popularity among their followers or stakeholders. Investment decisions are also being influenced by environmental and social criteria. Investors analyze any business by their involvement in corporate and social work. It has been assumed by the investors that any business which is performing more for society it is operating its business operations in efficient way, that business has potential and capacity for return. (Marcello Palazzi & George Starcher 2010) Any business which is not performing any social work is considered as that it is not performing well. Corporate social responsibility directs the investors for investment in hotel businesses and

this investment becomes the reason of growth for hotel industry.

Hilton hotel is generating revenue through indirect outcomes of corporate social responsibility. It is following environmental commitment, according to that it will reduce energy consumption, water consumption, and waste consumption by twenty percent. (Hilton Hotels 2013) This commitment will provide best quality food items for customers and more customers will attract to these food items. Better quality will contribute for generation of revenue for longer period of time if this policy is being sustained for several years of operations. Corporate social responsibility will provide its outcomes in form of quality, then attraction of customers and as a result more revenue.

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