

Good essay about corporate social responsibility

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



Corporate social responsibility (CSR) is an initiative to take responsibility for any effects to the environment caused by the company. It can also be defined as the continuous commitment by a business to behave ethically to contribute to economic development while improving the quality of life of the employees, their families and the community and society at large. The company, therefore, in this case involves itself in actions for the good of the society, past the interests of the firm and legal requirements. Corporate social responsibility may include environmental care and safeguard, fair trade and community service, charity outreaches and equitable dealings with customers. CSR is self-regulating and is not governed by any law.

The following are the advantages of committing to social responsibility:

Human Resource

Clothes Online Company will get an advantage of top talent for their human resource due to they're set of values that are attractive to employees. The 'Generation Y' for instance is attracted to firms that have a corporate social responsibility policy since they have civic knowledge integrated into their training programs. A firm that embraces corporate social responsibility finds it easier to retain employees hence saving training and turnover costs. With a good corporate social responsibility policy, employees in China will be more willing to remain in the firm due to the better conditions.

Customer loyalty

With a good corporate social responsibility policy, Clothes Online Company will experience increased sales and financial performance due to the customer loyalty both locally and abroad. For instance, customers prefer to

buy clothes from a child-labor free firm with smaller environmental impacts. A customer may also prefer to buy biodegradable and recycled goods. Customers, in the present day, prefer to make informed decisions hence they research before making choices. This will be an advantage to the company and increases profitability.

Enhanced brand image

Clothes Online Company will make better public relations when it has corporate social responsibility. This will increase the ability of the company to attract trading partners and with that capital. For example, when a company makes a contribution towards a community project, they get media attention, and this leads to good public relations and a strong brand image by extending the company's message to the public.

Reduced legal oversight

When Clothes Online Company is known for its social responsibility actions, it will receive less regulatory oversight by the U. S and Chinese government and regulatory bodies. They will receive less inspection hence lower chances of getting fines and lawsuits against the company. They also reduce paper works and inspections and may sometimes be given preferences over those companies that don't when applying for permits or any permission. This will reduce costs in the company's business processes.

Team building

If Clothes Online Company that embraces corporate social responsibility policies, it will have a stronger team of employees and supervisors than the

companies that don't. When a company has values that show value to the employees, they encourage morale and satisfaction of the employees.

The following are the negative effects of CSR:

Shift of focus

There is a risk of the Clothes Online Company management to lose focus of the company's goals and objectives in the efforts to improve company brand through corporate social responsibility. They may do this out of fear of backlash from the public or out of do-good attitude, either way; they have a risk of shifting focus.

Competitive disadvantage

For a company that does not embrace corporate social responsibility, it faces a big disadvantage compared to a company that does not. If the company does not put their money into CSR programs, there are chances of facing unfair competition.

Hennes & Mauritz Company (H&M) is a clothing retail company that has an active presence in 28 countries and has created an image of a responsible company by using the label CSR and embracing good social conditions in their factories. Because of this, they have enjoyed positive impacts in their business and the significant increase in long term profitability. They have also for long enjoyed employee retention due to the good conditions in their factories. The Starbucks Company has also embraced corporate social responsibility since it started in 1971. It has conducted the production of green coffee. By following C. A. F. E Practices, it has ensured product quality, economic accountability, social responsibility and environmental protection.

With responsible brewing, they have enjoyed very high profit margins as compared to other coffee companies. With CSR policies, they provide a way for the customers to trust them. Nike and Disney, on the other hand, suffered major losses and retraction of shareholders when they were accused of mistreatment and violation of human rights with 'sweatshop factories'. Due to the public debate and negative publicity, the companies were adversely affected.

After the financial blow to Nike Company, they began the process of Corporate Social Responsibility by identifying the risks to people and environment in the production chains through researches in their company factories and firm-branches. They then took measures to mitigate or prevent these risks such as ensuring recognition of human rights and paying of required wages for all the employees. Next, they used their influence to improve the situation by following the Guidelines for Multinational corporations. Social responsibility has now become a common feature for the Nike Company and is even included in the financial statements of the company such as sponsorship of marathon and Olympic events. This has helped improve the brand name of Nike Company.

COL should learn from the above companies since if COL Company waits for any negative publicity, it will be damaging for the company's reputation, and it will take a lot of funds for the company to recover from such a hit. In addition, corporate social responsibility will be good for COL to adopt so as to strengthen the brand name both in US and abroad.

Mill's utilitarianism states that an action is right if it promotes the best consequence. Therefore, the best consequences are those where happiness

is maximized for all the parties involved. Corporate Social Responsibility is supported by utilitarianism since happiness of the customer, employee and the society at large is taken into account. The duty guides the Kantian theory by Immanuel Kant to the moral law principle. He believed that a reason should guide behavior and not rules. An action is right if it is in accordance with a moral rule. Therefore, following Kant theory, Corporate Social Responsibility is right since it encourages fairways of profit earning and competition creation. Also going by Kant's theory, production processes are kept in check by being done in the right way as moral dictates.

A stakeholder is anyone who can be affected by any decision of the company. There are many types of stakeholders; however, the main types of stakeholders include the employees, the customers and the investors (those who have invested their money in the company). It is important to have a balance of the stakeholders' needs and demands. However, the most important stakeholders are the customers since they are the 'life' of the company without whom the company cannot survive, hence their needs should be put above all. It is especially important to continuously innovate and offer good products. Similarly, in corporate social responsibility, the customer should be given good value for their money; activities should be done to improve customer satisfaction and intellectual property initiative. Customer trust should also be cultivated through interactions with employees. The weight that should be put in their interest includes: consumer education including social, economic and environmental impact of the choice, protection of hazards to consumer health, protection of economic interests of the consumer and sustainable consumption.

In conclusion, there are great benefits to adoption of corporate social responsibilities for Clothes Online Company. First, the company will experience expanding profit margins and customer loyalty once they realize that the company is interested in the welfare of the customers and the society at large. There will be higher chances of retaining the skilled employees and hiring of more top-skilled employees once social responsibility is adopted. All the pointers show long term advantages to Clothing Online Company adopting corporate social responsibility.