

The social  
responsibility of  
business is to  
increase profit

[Experience](#), [Responsibility](#)



Businesses have many responsibilities, the primary role being, to make profit and then in turn grow and expand as a business in the hope that they increase profits. After all, not many people want to be in the business of losing money, it is simply the function of a business ... to make money. However, in saying that, I would disagree in saying that this is entirely a “social” responsibility. Businesses have a responsibility to their stakeholders and/or their shareholders to increase profits, but socially they are required to do so much more.

In terms of “social” responsibility, in this current day and age, businesses have a responsibility to society. I believe consumers are generally not concerned about the profit businesses makes, they are more concerned about the quality, service and value they receive from dealing with a business, and more importantly whether the success of the business was gained by them following socially and ethically responsible business practices. In the past, businesses would forfeit their social responsibility at the cost of increasing profit.

A good example of this is multinational conglomerate, Proctor & Gamble, identified by PETA as a corporation that actively participates in animal testing<sup>1</sup> to ensure that their products are safe for people to use. Yes, they are fulfilling their “social” responsibility in ensuring that their products do not harm their consumers, but now society and organisations are pointing the finger and actively boycotting companies such as Proctor & Gamble, for ignoring their social responsibility. Businesses have had to turn things

around to adapt to the views of changing society. Being socially responsible is now a costly exercise.

Due to their previous poor business ethics, they have to date invested almost \$250 million in alternative testing methods in an effort to abolish all forms of animal testing. <sup>2</sup> Not only now is it socially unacceptable to practice “ bad” business ethics, but it is socially unacceptable for businesses that make too much money to ignore the needs of the needy. Bill Gates, founder of Microsoft together with the efforts of his wife Melinda have established the Bill & Melinda Gates Foundation. The foundation donates millions of dollars every year, aiding many projects with their slogan being “ all lives have equal value”.

It is now the duty of businesses and many large corporations to be socially responsible and contribute to society on a larger scale. It is simply incorrect to say that increasing profit is the sole responsibility of a business. It is the social responsibility of a business to be socially responsible, in all facets. Portraying a ‘ socially responsible’ image is detrimental to increasing profits, this has not always been the case, many companies that were once selfless entities who’s only mission was to profiteer at any cost have realised that with the changes in society, they have had to change the way they conduct their business.

Sadly, many businesses and corporations participate in “ socially responsible” activities for the purpose of increasing profit, businesses are not changing their packaging to pink to ‘ secretly’ support breast cancer, they do

so, so that you and I know about it. These so called acts of social responsibility are a form of advertising and they are done to show consumers just how “ good” they can be. It is not the social responsibility of businesses to increase profit, but it is the social responsibility of companies to be socially responsible to increase profit.