

The concept of corporate social responsibility

[Business](#), [Management](#)



The main aim of this report is to explore the extent to which concept of corporate socialresponsibility can play a major role in positively influencing the operations of PPR. The concept of Corporate Social Responsibility has gained prominence during the contemporary period as there is growing concern that the organisations are supposed to be accountable for the impacts of their operations both socially and environmentally.

Whilst there is no universally agreed definition of the concept, this discussion particularly focused on the environmental as well as the social aspects of CSR strategy and how PPR can streamline its operations in order to operate sustainably without causing much damage to theenvironmentwhile remaining viable in manufacturing its luxury brands. Findings It is undoubtedly true that every organisation operates in a physical environment with people from diverse cultural backgrounds and are likely to be affected directly or indirectly by the operations of such organisations.

It has been noted that there is need to establish goodwill with the values and norms of any given society the organisation would be operating in as a way of promoting mutual understanding. Thus, CSR entails doing good things to the society in which it would be operating in. It has also been noted that CSR strategy driven by leadershipdevelopment is very effective in that it will stimulate positive employee performance while at the same time cultivating a sense of trust among the members of the community it will be operating in.

Conclusion and recommendations It has been recommended that Pinault's PPR should streamline the operations of the organisation in such a way that

the products retain their value and luster while at the same time striving to minimise the impacts of environmental degradation through its activities. This must be done in such a way that does not compromise on quality since luxury brands are meant for prestige. Why is corporate social responsibility (CSR) important to business during the contemporary period?

The concept of corporate social responsibility has become topical during the current period but there is no one agreed definition about the whole concept (Knights and Willmott (eds.) 2007). CSR has been defined as a function that transcends but includes making profits, creating jobs and producing goods and services (Oketch 2005 as cited in Smith 2003). On the other hand, (Strydom 2004 p. 11) concurs that " Social responsibility is the concept that maintains that businesses are part of the larger society in which they exist and are accountable to the society for their operations.

" In other words, there is need for the organisations to strike a fine balance between the needs and interests of customers, needs of the environment and the need for businesses to realise their financialgoals. This goes hand in hand with the concept of ethics, which is loosely defined as an attempt to differentiate between something good and bad. Thus, " a wide range of behaviours are classified under CSR including cause-related marketing, sponsoring charitable events, making charitable donations, utilizing environmental initiatives and demonstrating a commitment tohealthand safety issues," (Maignan ; Ralston 2002 as cited in Smith 2003).

First and foremost, it is every company's obligation to know that it is operating within a certain social set up with its own norms and values that

play a vital role in maintaining the fabric of that society. According to Guarnieri, R. & Kao, T. (2008) there is need to establish goodwill with the values and norms of any given society it would be operating in as a way of promoting mutual understanding. The success of any given company would be determined by its willingness to observe the social norms of the areas it would be operating in. The success of any product would therefore depend on the amount of respect that exists between the two.

Pinault, whose firm PPR is the second-largest luxury goods conglomerate in the world has underscored to be proactive and take a leading role in putting measures that are meant to ensure a better environment that can sustain future development. In this case it seems as if PPR is more concerned with financial success through its luxury brands, the reason why there is need to adopt CSR initiatives as a way of creating goodwill to the people and environment. Randall (1994 p. 101) concurs that: " the better the relationship, the more trust that has been built up, the easier it will be to solve the difficult issues which may arise.

" Therefore, observing the norms of the society is the foundation of establishing mutual understanding which may lead to the success of whatever product. Corporate social responsibility also entails doing good things to the society in which it would be operating. For instance, the Company may take a leading role in promoting activities that promote a clean environment like using raw materials with less content of green house gases. This would benefit the members of the society health wise and also help build a clean environment.