Corporate Social Responsibility

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Abstract

CSR is the concept where businesses participate in social and environmental matters.There are various important and advantages of companies being socially responsible. CSR is a form of ethical promotion.Customers often have positive views of a company due to its responsibility. This makes the consumers more attracted to the company's product, attracting sales and brand recognition.The act of philanthropy is also an ethical perspective of a company and ensures that companies are responsible for enhancing ethics. Moreover, companies that help the poor play a vital role in balancing health and bridging the social gap between the poor and the rich. There are no fixed methodologies of being socially responsible. Company stakeholders should be focused on profit generation; rather, they should focus on society and the environment.

Introduction

Corporate Social Responsibility(CSR) is becoming a critical aspect in today's business. CSR is the concept where businesses participate in social and environmental matters. Many companies have sought to play a part in ensuring sustainability and embracing philanthropic business models. Social Corporate Responsibility has become a major determiner of the competitiveness of a given industry. Many companies today are adopting this model to gain competitiveness and attract consumers who believe in philanthropy. It can also be taken and considered a way for the company to ‘give back to society. Some companies such as Coca-Cola have already engaged in this model, while others are still focusing on finding the best way to engage in CSR. This report will demonstrate the importance of corporate social responsibility and how companies can achieve the same.

Discussion

There are various important and advantages of companies being socially responsible. Companies can gain increased sales from the adoption of CSR. Customers often have positive views of a company due to its responsibility. This makes the consumers more attracted to the company's product, attracting sales and brand recognition. In research conducted on consumers to determine consumers' attitudes towards CSR, it was revealed that 88 % percent would prefer to buy from a socially responsible company (Thacker, 2020). Generation Z and Millenials are the major generations intrigued ad attracted to social corporate responsibility. Tata, an automobile company, is highly appreciated among the Hindu due to its participation in social activities and helping people. This has seen the company rise to be India’s most valuable brand, with over nineteen billion dollars.

CSR  may also promote employee retention. In the past, people and employees have mainly been motivated through monetary values. However, employees are now focusing n the image of a company. They are also focused on personal value and gains in terms of social responsibility. For example, many people are advocating for the adoption of green energy(HUYNH, 2020). An employee who advocates for the same is likely to remain in a company that adopts solar or wind use than those using fossil fuel. Similarly, an employee wishing to reduce plastic use and waste is likely to work and remain in a company that advocates recycling, reuse, and using biodegradable materials. Maintaining employees is a critical aspect of a business and enhances its ability to sustain its competitive advantage while ensuring that society is gaining positively.

CSR is a form of ethical promotion. For many years, American companies have been build on the cost of the environment. They have promoted to loss of biodiversity while have led to environmental pollution. These have seen climate change and have affected people’s health at adverse levels. This has been criticized as unethical. Companies are taking responsibility for their actions and ensuring that even though they aim at being profitable, they operate without the cost of the environment or the health of others and the loss of biodiversity. The act of philanthropy is also an ethical perspective of a company and ensures that companies are responsible for enhancing ethics (Ohio University, 2020). Moreover, companies that help the poor play a vital role in balancing health and bridging the social gap between the poor and the rich. Moreover, social responsibility ensures sustainability, which ensures that the growth today does not compromise the living of future generations.

There are various critics to the adoption of corporate social responsibility. This comes as a result of companies being less profitable as they try to adopt social corporate responsibility. For example, companies that may adopt biodegradable packaging may require more operation costs due to the expenses of the materials used. This may end up seeing lesser profits for the company. Others argue that participation in social responsibility reduces the company’s competitiveness while reducing the very profitability they rely on to function.

There are different ways in which companies can become socially responsible. One of these is the promotion of the environment. Companies can enhance the use of green energy to curb the exacerbating environmental and climate changes. Adopting green energy reduces the health problems and effectively reduces the costs used in treating health problems caused by these pollution (Agudelo et al., 2019). Corporations can also participate in safety and health programs. They can offer their research on how to improve the environment as well as health. For example, a pharmaceutical company may decide to offer its medical formula to enhance the curing of a particular disease and promote health.  Another instance is when companies provide patents for free such as offering open-source software to enhance a particular issue.

Another way of a company engaging in social responsibility is giving back to society, eliminating poverty, and assisting the poor. There are various ways to achieve this. One way is to sponsor children who are talented but lack financial strengths or develop programs that help alleviate poverty (Worokokinasih & Zaini, 2020). Companies may also help to solve social issues through sponsoring education and awareness problems. For example, many companies have participated in sponsoring HIV/AID awareness programs, while others have participated in giving out medical equipment during the Covid-19 pandemic.

Conclusion

Companies must engage in social responsibility. Social responsibility is a triple gain for companies that adopt them. It allows for the companies to gain competitiveness and popularity from potential consumers. Companies are also able to attract talent and maintain employees who value social responsibility. Participating in environment recuperation and poverty alleviation programs may also serve as ways in which companies participate in social responsibility.

Recommendations

Companies that are yet to adopt CRS should strive to do so. There are no fixed methodologies of being socially responsible. Company stakeholders should be focused on profit generation; rather, they should focus on society and the environment. Companies are part of the world, and although most are profit-oriented, they must focus on ethics from a social perspective. It allows them to participate in solving world problems. This can be achieved at local and at global levels. Not only is this helpful in gaining a positive reputation, but it is also important in coercing other companies to follow suit for a better world for the current and future generations.

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