



## Agenda

- 1) What is CSR?
- 2) History of CSR
- 3) Development of a CSR Strategy
- 4) Pros and Cons
- 5) Responsive & Strategic CSR
- 6) Future of CSR

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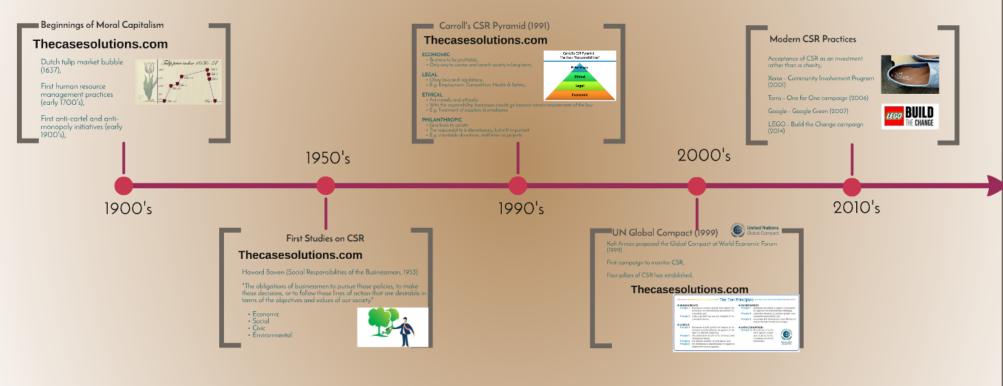
What is Corporate Social Responsibility (CSR)?

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Corporate social responsibility (CSR) is a corporation's initiatives to assess and take responsibility for the company's effects on environmental and social well being.



# History of CSR Thecasesolutions.com



## Beginnings of Moral Capitalism

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Dutch tulip market bubble (1637),

First human resource management practices (early 1700's),

First anti-cartel and antimonopoly initiatives (early 1900's),



### First Studies on CSR

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Howard Bowen (Social Responsibilities of the Businessman, 1953)

"The obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action that are desirable in terms of the objectives and values of our society."

- Economic
- Social
- Civic
- Environmental



## Carroll's CSR Pyramid (1991)

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#### **ECONOMIC**

- Business to be profitable,
- Only way to survive and benefit society in long-term,

#### LEGAL

- Obey laws and regulations,
- E.g. Employment, Competition, Health & Safety,

#### **ETHICAL**

- Act morally and ethically
- With this responsibility, businesses should go beyond narrow requirements of the law
- E.g. Treatment of suppliers & employees

#### PHILANTHROPIC

- Give back to society
- The responsibility is discretionary, but still important
- E.g. charitable donations, staff time on projects



# UN Global Compact (1999)



Kofi Annan proposed the Global Compact at World Economic Forum (1999)

First campaign to monitor CSR,

Four pillars of CSR has established,

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#### The Ten Principles .....

#### HUMAN RIGHTS

Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2 make sure that they are not complicit in human rights abuses.

#### LABOUR

Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining:

Principle 4 the elimination of all forms of forced and compulsory labour;

Principle 5 the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation.

#### ENVIRONMENT

Principle 7 Businesses are asked to support a precautionary approach to environmental challenges;

Principle 8 undertake initiatives to promote greater environmental responsibility; and

Principle 9 encourage the development and diffusion of environmentally friendly technologies.

#### ANTI-CORRUPTION

Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.

