

CORPORATE SOCIAL RESPONSIBILITY PERSPECTIVES

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Corporate Social Responsibility (CSR) is a term that has been entered the management sciences since the second half of the 20th century. There is no one main definition of CSR, but the most popular scholars in this discipline gave it similar concept definitions. CSR was given a morality definition firstly by Howard R Bowen one of the main scholars in the management field. He defined CSR as the fundamental morality of a company behavior toward society, it follows with ethical behavior toward stakeholders and recognizes the spirit of the legal and regulatory environment [1, p.7]. Archie B. Carroll, one of the most popular scholars in this discipline, gave four parts to CSR concept: economic, legal, ethical and philanthropic, and he mentioned that CSR must embrace these four parts expectations from organization toward society [2, p.2]. James Brosseau defines CSR as a general name for any theory of the corporation that emphasizes both the responsibility to make money and the responsibility to interact ethically with the surrounding community [3, p.13]. R. Edward Freeman and S. Ramakrishna Velamuri explored that the main goal of CSR is to create value for key stakeholders, fulfill responsibilities to them and to integrate business, ethics and social considerations to stakeholders [4, p.5].

CSR as a general concept is an approach that could be voluntarily adopted by a company not to integrate with economic concerns only, but in social and environmental concerns as well. Regarding the diversity of definitions, most of the scholars in the discipline assumed that adopting a CSR approach is a primary analytical framework that based on the performance of corporation targeting three main dimensions or perspectives: social dimension, economic dimension, and

environmental dimension. The aim of this paper is to overview the influence of CSR on the three main dimensions: social, economic and ecological perspectives as a first step, and to prove that there are more perspectives that have to be addressed as a second step.

CSR Economic perspectives

CSR approaches have a powerful effect on economic growth. First of all, applying CSR approaches enhance a company to interact with various stakeholders as government, competitors, trade unions, non-governmental organizations, vendors, customers, and suppliers. Economic responsibility is represented by a corporation through investments, marketing strategies, sustainable business operations, and long-term financial strategies with variant stakeholders. Variant stakeholders will be affected positively if corporation achieves profits, this what economic scholars named as Win-Win theory. As a result, stakeholders will make profits, money circulation process will improve and a corporation will successfully achieve its CSR economic responsibility. Economically oriented work addressing CSR will acknowledge the well-known capacity of markets, ensure efficient pricing and enable provision for producing better product and services.

CSR Social perspectives

From the above definitions of CSR, it's undeniable that CSR has implications on society and community development in many ways. Companies don't function in isolation from society, that is why it's very important for a company to understand the needs of society and try to satisfy it through implementing CSR approaches. On the other hand, there are some common needs that fit any kind of society. Implementing CSR activities by a company could be done internally through a commitment to the universal principles of human rights and labors rights. The International Standard Organization (ISO) has launched ISO 26000 which provides guidance on how businesses and organizations can operate in a socially responsible way, This means acting in an ethical and transparent way that contributes to the health and welfare of society, it is aimed at all types of organizations regardless of their activity, size or location [5, p.1]. Fombrun and Shanley [6, p.258] demonstrate

that the returns to socially responsible behavior are captured through the reputation of the firm. An implication of this is that firms should consider CSR as an element of corporate strategy. In the same vein, some studies conclude that an employee will tend to have a better attitude to the company as he realizes the social commitment of the organization he is working for. As evidence for this situation, Cisco an IT companies that produce and sell networking equipment decided to adopt CSR project through an educational and social program. At the beginning of the program, Cisco supported a nearby high school with network equipment for free. Later on, CISCO realized that teachers and administrators at the high school faced difficulties in using this equipment. As a reflecting step from CISCO managers and employees, they decided to expand the program as a voluntary step by providing free training sessions at the high school. With time they designed a Networking Academy, which provides a web-based distance learning program in order to train and certify any employee, student or talented person in the networking sphere. The program nowadays operates 9900 academies over 174 countries. More than 115000 have already graduated from this program, and 263000 are currently enrolled. CISCO estimates that 50 % of the graduates have found jobs in the IT industry, where the average salary rate for a network administrator in the USA is 67,000\$ a year [7, p. 4]. From this point, it can be concluded how CSR projects could enhance the development of society in the surrounding area and could enhance the reputation and increase the competitiveness of the company, and create new opportunities for future investments. Pavlo Brin and Mohamad Nehme [9, p.75] have proved that innovating new social projects through adopting a CSR approach would contribute to economic stability and to social development.

CSR Ecological perspectives

With the increasing concern toward global environmental challenges, as climate change, water pollution, high rates of gas emissions, and limitation of gas and petroleum energy sources, the International Standard Organization realized the importance of adopting CSR environmental approaches due to its high positive impact on environment and ecology. For example, firms and companies who applied

for ISO 14001 certificate must ensure the Three Top Management Environmental Commitments: protecting the environment, complying with relevant environmental legislation and regulation, and making a continuous effort for environmental improvement [8, p.542]. Even in today's worldwide economy international markets are becoming more competitive and must meet many obligatory international standards. Macdonald Fast food franchise, for example, adopts CSR approach through packaging the takeaway meals in paper bags instead of plastic bags, in order to reduce pollution and enhance recycling process. Targeting CSR environmental perspective will reduce the pollution rate in the country and will obligate a firm to use renewable energy sources (solar panels or wind fans) which even cost less than gas and petroleum energy generators. So, a corporation may implement its CSR environmental program through integrating environmental standards in all operational process.

Additional Perspectives to be addressed

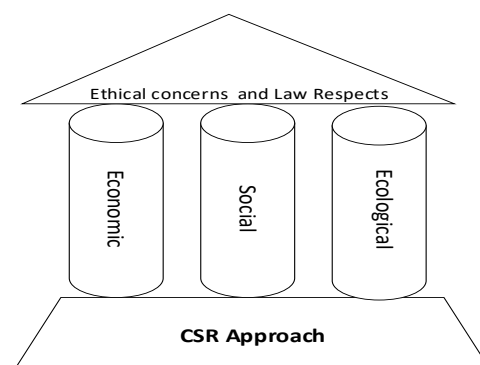
It is undeniable that adopting CSR approaches have various positive influences on society and environment. But in order for a company to adopt a CSR approach, it has to take into consideration perspectives other than social and ecological. For a company to adopt a CSR approach in the most efficient manner, it requires a fundamental basis of ethics. Behaving ethically by corporations means protecting the interests of the business community, and acting incredible and transparent way with all stakeholders. Such behavior will prevent monopoly, oligopoly and monopolistic competition. Joost W. Hengstmengel [10, p.2] argue that moral philosophy can enrich CSR and to some extent is already implicitly part of it. On the other hand, integrating with ethical standards by conducting a code of ethics in CSR approach will lead the company to maintain labors rights, guarantee employees financial compensations and ensure a transparent relationship with all stakeholders. Ethical perspectives for CSR could enrich an enterprise with a valuable good image in its competitive market.

Legal Perspective is another perspective for CSR approaches. Corporations must respect laws and regulations. According to Carroll's Pyramid theory, Legal Responsibility placed in the second level of the CSR Pyramid, a responsible

corporation is a corporation that accepts rules of a fair business game. A responsible corporation adheres to law because it believes that fair business reflects positively on the whole economy and society [11, p.41]. If a corporation makes tax evasion process, or deals with money laundering activities, or even produces a toxic product, it is illogical to consider it is sharing in CSR approaches and respecting CSR values. Moreover, respecting all laws and regulations, international and local ones, will adhere CSR approaches to obligate social and ecological standards. As a reflective step, and due to the high influence of CSR in solving many social and ecological challenges, its recommended for government to take role in enhancing CSR activities, by reducing taxes or provide financial and moral support for enterprises adopt CSR approaches.

Conclusion

It was concluded that CSR is a strategic integrating process between a corporation and its surrounding community, economic sector and environment sphere under the shadow of ethical concerns and law obligations. Designing a CSR focused approach by a corporation will lead to increase the enterprise reputation and strength its competitiveness. As long as companies remain focused on the public relations benefits of CSR contributions, as long it has more opportunities to expand its business. If CSR perspectives are understood well by business corporations, the image of business enterprise will transform from greed image into development value image. Diagram 1 represents the CSR perspectives and concerns.



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