**WHY CORPORATE SOCIAL RESPONSIBILITY IS SO IMPORTANT?**

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The world is changing fast and radically. One of the most worrisome latest issues is the condition of the world we all live in. Melting of polar ice caps, storm-water flooding, disastrous hurricanes, epidemics and invading weeds, attacks of lyme ticks and wildfires, not to mention farmland droughts, sinking territories, etc. are scary signs of some effects of the climate change that has become the concern of everyone including governments, businesses and individuals. Scientists and officials believe in the urgency of the situation and call on everyone to take steps to help the Earth and her inhabitants. This means that everybody should be socially responsible and that the concept “social responsibility” has acquired a very special meaning especially when it comes to businesses and enterprises turning social responsibility into corporate social responsibility and affecting business activities worldwide.

The term introduced in the mid 1950s has got numerous definitions but they all allow to understand the underlying idea behind it, namely, “A company’s sense of [responsibility](http://www.businessdictionary.com/definition/responsibility.html) towards the [community](http://www.businessdictionary.com/definition/community.html) and [environment](http://www.businessdictionary.com/definition/environment.html) (both ecological and social) in which it [operates](http://www.businessdictionary.com/definition/operate.html). [Companies](http://www.businessdictionary.com/definition/company.html) express this [citizenship](http://www.businessdictionary.com/definition/citizenship.html) (1) through their [waste](http://www.businessdictionary.com/definition/waste.html) and [pollution](http://www.businessdictionary.com/definition/pollution.html) [reduction](http://www.businessdictionary.com/definition/reduction.html) [processes](http://www.businessdictionary.com/definition/process.html), (2) by contributing educational and social [programs](http://www.businessdictionary.com/definition/program.html), and (3) by [earning](http://www.businessdictionary.com/definition/earnings.html) [adequate](http://www.businessdictionary.com/definition/adequate.html) [returns](http://www.businessdictionary.com/definition/returns.html) on the [employed](http://www.businessdictionary.com/definition/employment.html) [resources](http://www.businessdictionary.com/definition/resource.html). [1]

Being a multi-aspect phenomenon it draws attention to several most crucial areas of living such as environmental, economic and social. Consequently, one has to look at what can be done in each of the above-identified areas to improve the current situation. At the same time, “the current consumer climate doesn’t allow for companies to simply be in business for the sake of making a profit. While consumers may rely on corporations for goods and services, the level of competition allows customers to make decisions based on how much good a corporation is doing outside of the workplace and how they are positively impacting their community.” [2] So companies have to take measures to help change the world around for the better and at the same time they will be able to improve their financial condition, reputation and market value. What exactly does it mean and what can an effective corporate social responsibility strategy do for the company?

The steps that companies and individuals can take are numerous and may include the use of new cutting-edge technologies requiring fewer resources and saving energy and the use of renewable resources and byproducts as well as switching over to new types of resources (wind, sun, biofuels). Instead of printing documents now people are encouraged to use cloud technologies for storing information. Unplugging appliances is another measurable method of saving energy. Companies may also cut on the emissions and develop more sustainable methods of production and distribution. Businesses can recycle, compost and convert waste into energy or send all their waste for recycling, composting and conversion. Switching to public transportation rather than using cars is another way of affecting the situation around. Other measures can include the reduction of food waste and leftovers. A serious improvement can be achieved by using LED lamps instead of incandescent and CFL lamps and by disposing of batteries and mercury and other hazardous substances in special places. All this will significantly affect the environment.

One most popular current way of measuring one’s impact on the environment is the tracking of one’s own carbon footprint: “The total amount of greenhouse gases produced to directly and indirectly support human activities, usually expressed in equivalent tons of carbon dioxide (CO2). In other words: When you drive a car, the engine burns fuel which creates a certain amount of CO2, depending on its fuel consumption and the driving distance. (CO2 is the chemical symbol for carbon dioxide). When you heat your house with oil, gas or coal, then you also generate CO2. Even if you heat your house with electricity, the generation of the electrical power may also have emitted a certain amount of CO2. When you buy food and goods, the production of the food and goods also emitted some quantities of CO2. Your carbon footprint is the sum of all emissions of CO2 (carbon dioxide), which were induced by your activities in a given time frame. Usually a carbon footprint is calculated for the time period of a year.” [3] So most companies and even nations and countries look at their carbon footprints and how they can reduce them.

However, there remain economic and social and educational issues. They are usually interconnected so the following could be done in relation to employees and local communities: “… happier staff doesn’t simply mean bonuses and pay rises. What employees value is participation: do they get a fair say? Keeping staff updated on the business and inviting opinions keeps them motivated and loyal. [Investing in them with internal and external training helps them do a better job](http://www.sustainablebusinesstoolkit.com/green-team-actions-to-go-green-at-work/) and helps in retraining them, too. Would you rather invest less and have a poor performing, unmotivated team with a high attrition rate instead?... You can incorporate your staff welfare plans with your aims to boost community relationships too. If you’d like to support a local charity, why not let your staff vote for their favourite? It’s now common for businesses to allocate charity days where staff get hands-on with their chosen charity, the effects going far further than monetary donation. In uncertain financial times, employment rates are always an issue. Could your business offer part-time work or training to those in long-term employment, or students looking for their first work experience?” [4] Social measures may also include the possibilities of using various facilities including children’s camps, rest houses, day clinics, etc. at discounted rates or for free. Helping the elderly, offering free courses to the unemployed and assisting other vulnerable groups is one more means of being socially responsible.

So if one looks at what can be done one will immediately see the benefits of being socially responsible. The article published in 2010 provided a specific list of potential advantages for companies if they choose to be socially responsible. This list includes the following serious benefits: “An easy way for your company to build its brand, reputation and public profile… Corporate Social Responsibility attracts and retains staff… Customers are attracted to socially responsible companies… Corporate Social Responsibility attracts investors… Corporate Social Responsibility encourages professional (and personal) growth… Corporate Social Responsibility helps to cut your business costs.” [5]

Thus, by being socially responsible companies positively affect the environment (ecological, economic and social) and improve their own reputation and financial standing.

**Literature used:**

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