

Research Article

CORPORATE SOCIAL RESPONSIBILITY

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ABSTRACT

In today's competitive environment, corporate social responsibility is one of the key factors in the survival of any organization. Corporate social responsibility is the company's commitment to use its resources in ways to benefit society and improve the welfare of the community, providing revenues from. One of the best definitions of corporate social responsibility is now also commercial success all the moral, social and personal values, environmental values and have respect for the interests of the beneficiary groups. Lack of attention to social responsibility of managers will prevent the effective service to the community and the organization. The aim of this paper is review the corporate social responsibility concepts and principles.

Keywords: *Social Responsibility and Competitive Environment*

INTRODUCTION

Today, the issue of corporate social responsibility has become one of the concerns of researchers and analysts and many corporate managers consider this matter in their decisions. Corporate social responsibility can be considered as the responsibility of the organization to meet the needs of the community and stakeholder (Krnyn and Bradysh, 2009). Lack of attention to social responsibility of managers will prevent the effective service to the community and the organization. In fact the transcendental approach to the social impact of an organization's business community - both domestic and foreign - will be considered and its main purpose is to bring together all sectors in order to work with each other till on the one hand lead to align the economic interests of the environment and the sustainability of growth and success in business. Several definitions have been proposed so far for corporate social responsibility, the following are some of the most important:

- World Business Council for Sustainable, (WBCSD) defines CSR organization as follows :
Commitment to a lasting partnership for economic development, working with employees, their families, local communities and the wider community, to improve the quality of life.
- Trade organization for Social Responsibility (BSR) CSR as a way to achieve business success through ethical values and respect people, defines the obligations and the natural environment.
- Office of International Trade (ICC), CSR is a voluntary commitment by business to manage the company's activities in response.
- America Society of Quality (ASQ) as an act of social responsibility and ethical business partnership of people and organizations with regard to society, culture and economy as it attempts to define and individuals, organizations, and the government can work through the development of business and society.
- Wang and Hu (2009) have suggested that corporate social responsibility is assumed that the role of community organizations in the broader effort to meet the demand and they can defined as actions that certain social goods beyond the interests of the company and what is required by law to provide.
- View and colleagues (2009) defined social responsibility, including responsibility for external needs.
- Godfrey (2009) believes that corporate social responsibility represents a set of activities that will provide some public goods.
- Parsa and Jackson (2009) have stated that voluntary measures taken by the company's corporate social responsibility is to improve social and environmental conditions.
- Salam (2009) states that social responsibility and ethical responsibilities expected of voluntary community.
- Tarkr (2009) corporate social responsibility as corporate behaviors to create positive impacts on stakeholders to define behavior that goes beyond its economic benefits.

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- Smith (2003) Corporate Social Responsibility as the process of creating wealth, improving competitive advantage and maximize the value of wealth creation to society knows.

CSR Model Lantos

Lantos (2001), the corporate social responsibility, social responsibility, corporate ethics, corporate social responsibility, human rights and social responsibility into the company's strategic. Ethical corporate social responsibility, the company is expected to prevent injuries and damage that could be a result of their actions on others and society, morally responsible. The corporate social responsibility of all firms is expected and should at least do it as a minimum.

Philanthropy and corporate social responsibility is a real concern an optional notice.

Strategic Corporate Social Responsibility is when a company makes a commitment to certain social activities that will accomplish strategic business goals to advance.

Thus, according to Lantos, the corporate social responsibility should focus on two concepts:

- 1- Prevent damage and injuries that are can result in the company's activities.
- 2- Conducting strategic business objectives.

Table 1: Classification of social responsibility (Carroll Lantos 1991-1979 and 2003-2001)

Categories Carol 1999 - 1979	Categories Lantos 2003 - 2001
Economic responsibilities include profitability for shareholders, employees and job quality products for our customers.	Moral Responsibility: Mandatory activity in the field of economic responsibility, legal and ethical.
Legal responsibilities, including compliance with laws and words to follow the rules of the game.	Philanthropic responsibilities: humanitarian organization with no financial interests.
Moral: do the right thing and be fair and avoid damaging.	Strategic responsibility: Humanitarian action that will lead to benefits for the organization.
Humanitarian responsibilities: perform community through volunteer time and cost for activities in these areas.	

The Triple Bottom Line models that before mentioned and also other models of 3P are in this area.

SAC Model

Another model that has received little attention despite its merits is SAC model. Many writings on corporate responsibility, stakeholder analysis, strategy, and competitive advantage are traded. Researchers have paid special attention to the relationship between CSR and financial performance. The remains of an analytical discussion about how companies can benefit from their CSR initiatives to advance its core functionality and as a result, achieve a significant competitive advantage.

In this model, a conceptual framework for evaluating the impact of a company's business operations through a stakeholder analysis on the merits of the case or make a profit of the community can get and enhancing the profitability of the company, have offered.

Companies by integrating the merit of his work be it new or improved products and services, production processes more efficient space to create a strong reputation and identity for the brand itself.

In many companies there is a poor alignment between business strategy and operations is CSR. This often leads to poor allocation of scarce resources aligned to corporate social responsibility programs that bring little benefit to the business stakeholders and or even worse, it can lead to decisions that are damaging the reputation of the company. There are two major reasons for the poor results of traditional CSR programs. First, project managers usually have a fixed budget for CSR and CSR tend to consider this funding a wide range of community organizations to allocate that this allows the cake to be divided into more pieces and good corporate partnerships that help spread across in many students.

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Second, the financial resources allocated to social projects without the benefit of non-financial assets, or about how to use social projects in direct support of business objectives is thinking.

Theories of Corporate Social Responsibility

Corporate social responsibility is the commitment of the company to use its resources for the benefit and welfare of the community from public revenues (Cook *et al.*, 2001). The theories of corporate social responsibility are: 1) legitimacy theory, 2) the interest group theory, and 3) theories of political economy, all of this are the directors of a number of reasons, such as organizational legitimacy or interest group pressure, social organization is willing to disclose information, But the theory of political economy, believing in the need for legislation and standards in the field. In theory, a branch of morality stakeholder groups and there is also a branch manager.

Branch of ethics is dealing with this issue of how to behave with the interest group. This perspective emphasizes to the responsibilities of organizations. The administrative branch of the theory of interest group focused on the need to manage special interest group (Foroughi *et al.*, 2008), As the content of this theory (stakeholder) can be inferred since the responsibility of the directors of the company can now provide a better view of the stakeholder.

Instrumental stakeholder theory, good positive relationships with key stakeholders will be considered to improve financial performance. The underlying assumption behind this theory is that the social responsibility as an organizational tool that makes effective use of resources and thus has a positive effect on financial performance (Donaldson and Preston, 1995).

Berman et al (1999) believe that having good relationships with stakeholders to improve financial performance. Positive impact on the financial performance of the company's social responsibility can be questioned from different perspectives: first of all some myopic executives, particularly prospective and newly appointed managers who are looking for fame, may resort to short-term policy interest in social responsibility, long-term negative impact on firm performance (Preston and Abanvn, 1997).

Principles of Corporate Social Responsibility

ISM Principles of Social Responsibility was examined by the institute is:

- Community commitment towards creating benefits for society and relevant organizations to move toward stimulating public interest
- Environment: To encourage and stimulate the creation of mechanisms to respond to their environment, so that will eliminate confusion and dissatisfaction with the environment and the positions and policies of the organization rates inflation, unemployment and poverty turns.
- Ethics: Code of Ethics for creating the effort to practice the ethical principles
- Financial responsibility: responsibility to the people in large organizations, public property, public property and responsibility of the national wealth
- Human dignity: dealing with people inside and outside the organization to comply with privacy and dignity, respect and support of international law to the extent that mobility within the organization and other organizations related to respecting others
- Security: Creating a safe space for people within the organization and outside the organization is linked to insecurity and lack of Other People.

Benefits of Corporate Social Responsibility

A - Improving Financial Performance

There is a positive correlation between the real and the application of social responsibility in business and corporate financial performance. In the past decade, many studies have been done in this regard. Dypal University study conducted in 2002 shows that the financial performance of socially responsible organizations that were receiving the very best organizations it is much better than the organizations that have been this important thing.

B - Reduction of Operating Costs

CSR can reduce operating costs, For example, improved environmental performance, such as gas emissions that are causing climate change or reduce chemical contaminants entering the soil. In human resources, stabilization programs and other programs that reduce the working life and in retirement will

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result in increased maintenance labor. The result is often credited with the organization in order to increase efficiency and reduce costs of recruit training and is stored.

C - Boost Reputation and Corporate Brand

Organizations are paying attention to social responsibility, can enhance the reputation of their profits. The credibility and reputation in the business community will enhance the company's ability to attract investment and participation.

D - Increase Sales and Customer Loyalty

Since the trade, consumers must purchase key indicators such as price, quality, safety, availability, and convenience to meet, Studies have shown that the willingness to buy (or do not buy) based on parameters such as free cover child labor, reduced environmental impact and increased freedom of shopping.

E - Increasing Productivity and Quality

Organizations are trying to improve working conditions, reduce environmental impacts or increase the manpower decisions, often leads to increased productivity. For example, organizations that have improved working conditions and staff to participate in decision-making, among other manufacturers, often experience a decrease in the production of defective products, defective, do not sold.

F - Increased Ability to Attract and Keep Employees

Organizations committed to social responsibility, the often technical maintenance staff recruitment and training costs to reduce displacement and obligations have effective results.

G - Reduce Cumbersome Regulations

One of the major benefits of corporate social responsibility, and setting down rules, instead of officially recognized programs, among the companies that have rewarded their activities in order to reduce the negative environmental impacts, health and safety.

H - Access to Capital

Companies with high social responsibility to achieve funding that access to capital that others may not possible.

Pluralization

In today's competitive environment, corporate social responsibility is one of the key factors in the survival of any organization Corporate social responsibility is the company's commitment to use its resources in ways to benefit society and improve the welfare of the community, providing revenues from. One of the best definitions of corporate social responsibility is now also commercial success all the moral, social and personal values, environmental values and have respect for the interests of the beneficiary groups. In other words, the social responsibility of corporate management is including meeting the expectations of the legal, social and environmental interest groups.

Disclosure of cooperate social responsibility provides information on corporate social responsibility activities for the company that provides the public with community, Such as reduced environmental impacts, improved waste management, and environmental compliance efforts for the protection of employees. The importance of the concept of corporate social responsibility and its disclosure can increase the level of corporate social responsibility. Promoting corporate responsibility and community participation will increase and improve communication of cooperate with society.

In this way, companies can have a positive impact on society and the environment and also enhance its reputation. Strengthening of corporate social responsibility, in addition to benefiting from profits today can successfully consolidated its position in the future.

Other advantages include direct responsibility for promoting greater access to finance for the company's reputation, risk management and effective supervision over the affairs of the organization, customer loyalty, and promotion of trust company is BENEFICIARY.

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