



## CSR: Corporate Social Responsibility

### Summary

The text discusses the popularity of CSR and its historical evolution from the 1950s. It highlights the key values associated with effective CSR policies and examines the key challenges of implementing it. Finally, the author points out that there are still a number of areas that need to be addressed regarding transparency and better legislation.

### References

Carroll, A.B. (2008) *A History of Corporate Social Responsibility: concepts and practices*, in Crane, A. et al (eds), *The Oxford Handbook of Corporate Social Responsibility*, Oxford University Press, pp. 19-46

Gov.uk. (2014). Corporate Responsibility: Good for business & society. *Department for Business Innovation & Skills*. Available at: <https://www.gov.uk/government/uploads> [Accessed 17 February 2017]

Hamidu, A. Haron, H. & Amran, A. (2015). CSR: A Review of Definitions, Core Characteristics and Theoretical Perspectives. *Journal of Social Sciences*. 6 (4) 83-95

Matten, D., & Moon, J. (2004) Implicit and Explicit CSR: A conceptual framework for understanding CSR in Europe. *ICCSR Research Paper Series (29-2004)*, University of Nottingham

Park, J., Lee, H., & Kim, C. (2014). Corporate social responsibilities, consumer trust and corporate reputation: South Korean consumers' perspectives. *Journal of Business Research*, 67, 295-302.

Wang et al., (2016). Corporate Social Responsibility: an overview and new research directions. *Academy of Management Journal*. 59, (2) 534–544.

Weber, M. (2008). The Business Case for Corporate Social Responsibility: a company level measurement approach for CSR. *European Management Journal*, 26, 247-61.

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# Student

**Time:** *Approximately 1 hour*

## Two types of lesson

**Lesson#1:** [Easy] \*\*\*\*\* [B2/C1]

1. Try to predict the content of text / write down key terms / ideas
2. Read text – check words and meanings with a dictionary
3. Answer questions
4. Check answers (pass mark is 70%)

**Lesson #2:** [Hard] \*\*\*\*\* [C1]

1. Read text – no dictionary
2. Answer questions
3. Check answers (pass mark is 70%)

# Teacher

## Two types of lesson

**Lesson#1:** [easy] \*\*\*\*\* [B2/C1]

1. Give out text a week before the test – students read, check vocabulary and meaning.
2. Test day – give out a new copy of text and the questions (no dictionary or notes)
3. Set 1 hour to read text and answer the questions
4. Take in and correct or go through answers in class (pass mark is 70%)
5. Extra activity – students write the summary (add 30 minutes to test) – see [reading summary](#)

**Lesson #2:** [hard] \*\*\*\*\* [C1]

1. Test day – give out text and questions
2. Set 1 hour to read text and answer the questions
3. Take in and correct or go through answers in class (pass mark is 70%)
5. Extra activity – students write the summary (add 30 minutes to test) – see [reading summary](#)

## Summary writing

Link: [www.academic-englishuk.com/summary](http://www.academic-englishuk.com/summary)

Summaries have a number of key points and supporting points to identify. Generally, 4 out of 6 key points is a pass with a supporting point for each.

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## Corporate Social Responsibility

C. Wilson (2017)

1) Corporate Social Responsibility (CSR) has undergone profound transformation from an ideology of uncertainty into an indispensable component of business practice. Hamidu et al, (2015) acknowledge that it has become a mandatory tool in strategizing, complying with regulations and maintaining standards, building corporate reputation and obtaining customer loyalty which 'all culminates in increasing profitability and overall attainment of organisational objectives' (p.83). In fact, over 9,270 companies from 166 countries are signatories to the voluntary UN Global Compact which fulfils a companies' obligation to establish issues on human rights, labour standards, the environment and anti-corruption initiatives (Wang, 2016). Overall, CSR is an integrated strategic approach in responsibility to achieve shared value for the stakeholder and societal obligations.

2) CSR's progression, since its introduction in 1950's, has been quite remarkable. In the beginning it was characterized as 'philanthropic' in seeking to promote the welfare of others. This focused on mainly religious and humane philosophies, community development and poverty alleviation (Carrol, 2008). In the 1970's, CSR became a symbol of commitment. It became more 'regulated' focusing on changing perspectives in stakeholder to manager relationships, encouraging a conscious awareness of corporate reputation and placing emphasis on legal and ethical issues (ibid). The 1990's instigated what is now commonly seen as 'instrumental / strategic' CSR. A prominence on environmental protection, sustainability and transparency with a clear guide on internationalization of CSR standards (ibid). In sum, Matten & Moon (2002) summarise this as a cluster concept of business ethics, corporate philanthropy, corporate citizenship, sustainability and environmental responsibility, all embedded in social, political, economic and institutional contexts.

3) Research by Weber (2008) highlights that the implementation of CSR has become a pre-eminent feature in building and maintaining corporate reputation, which has become regarded as an essential strategic resource factoring into a company's competitive advantage. Park, Lee, & Kim, (2014) claim that the key benefits behind being socially responsible include: improved financial performance, contribution to market value, a more general positive impact on societal stakeholders, a conscious connection with consumers, and improved product quality. The authors also note that internal reasons such as increased employee commitment and reduced employee turnover are important benefits. In addition, Carrol (2008) asserts that CSR activities generate resilience to negative company information and consumers' awareness, and this cultivates appreciation to the attitudes and attributions about why companies are engaging in CSR initiatives.

4) The effectiveness of CSR efforts is often difficult to observe. Companies often fail through short-run CSR investment policies. They may lack commitment and support at senior management level, and fail to take into consideration the issues that are salient to stakeholder groups in various markets. Long-term investment is the key but a lack of transparency and goal clarity often make it difficult to understand and manage the risks and boundaries of corporate social activities (Wang, 2016). How managers prioritize and balance aspects of CSR is often a challenge facing many corporations. Moreover, the

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complexity in organizing and managing CSR is exacerbated for multinational corporations with global logistic chains and off-shore manufacturing industries. The values of CSR in one country are not necessarily in accordance to another country's governmental and environmental policies (Hamidu et al, 2015). A final challenge is the concept of 'shop dressing' or 'greenwashing'. This is companies who are promoting the perception of applying CSR principles through marketing and advertising, but in reality are not implementing the business practice and thereby misleading consumers. An example of it would be a company promoting recycled packaging but its factories are polluting local water courses.

5) Over the past sixty years, the issue for companies has become how to conduct CSR in a strategically and effectively planned manner that meets stakeholder's expectations, maximises profit and offers a clear and demonstrable narrative of its impact on the company and for the community (Wang et al. 2016). CSR is a constantly evolving integrated and disciplined field of business activity, which has moved on from the latest management fad into a significant professional body of policy and practice. Although CSR is formed on voluntary basis, there are a number of key areas that need to be addressed. The recognition of diversity is a necessity for a universal approach. This includes better collaborative and supportive mechanisms from source to supply chain to seller advancing the sustainability agenda (Gov.uk, 2014). In addition, Governments could play a greater role by changing existing legislation to the Companies Act and Social Services Act through the inclusion of enforcing ethical standards, the adoption of effective and transparent supply chain management practice and legal action against greenwashing / misleading marketing campaigns. Overall, sustainability, transparency and ethical standards are key drivers in responsible business practice and the values of the society.

## References

Carroll, A.B. (2008) *A History of Corporate Social Responsibility: concepts and practices*, in Crane, A. et al (eds), *The Oxford Handbook of Corporate Social Responsibility*, Oxford University Press, pp. 19-46

Gov.uk. (2014). Corporate Responsibility: Good for business & society. *Department for Business Innovation & Skills*. Available at: <https://www.gov.uk/government/uploads> [Accessed 17 February 2017]

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**Comprehension Questions**

**1. Headings – choose a subtitle for each paragraph**

1	B	CSR popularity	A	The values of CSR
2			B	CSR popularity
3			C	The way forward
4			D	CSR historical evolution
5			E	Key challenges

\_\_\_ / 4

**2. True / False / Not Given – one question per paragraph**

**T/F/NG**

1	i.	The UN Global compact is an obligation	
2	ii.	CSR has achieved a great deal since 1950	
3	iii.	CSR has helped many companies become more competitive	
4	iv.	Long-term investment in CSR boasts productivity	
5	v.	CSR is a fad and will evolve into something different	

\_\_\_ / 5

**Open answer questions**

Paragraph 1

**3. What does CSR lead to?**

i)	
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\_\_\_ / 1

Paragraph 2

**4. Key changes in the three main areas:**

1950	Philanthropic	<i>Religious &amp; humane philosophy</i>
		iii)
		iv)
1970s	ii) _____	v)
		vi)
		<i>Legal and ethical issues</i>
i) _____	Instrumental / strategic	<i>Environmental protection</i>
		vii)
		viii)
		<i>Internationalization of CSR standards</i>

\_\_\_ / 8

Paragraph 3

**5. What are the main benefits of CSR?**

1	<i>Improved financial performance</i>
2	
3	
4	
5	

\_\_\_ / 4

Paragraph 3

**6. Name the two key features of internal CSR benefits.**

1	
2	

\_\_\_ / 2

**Multiple Choice:**

Paragraph 4

**7. A company's failure in CSR is due to...** (choose only one answer)

a	only investing for a limited amount of time
b	higher management are not supportive
c	not being attentive to stakeholder matters
d	All the above

\_\_\_ / 1

Paragraph 4

**8. The main problem for managers is**

a	prioritizing and balancing aspects of CSR
b	investing long-term in CSR
c	transparency and goal clarity
d	All the above

\_\_\_ / 1

Paragraph 4

**9. The problems with global logistic chains and off-shore manufacturing industries is**

a	organizing CSR
b	managing CSR
c	international governmental and environmental policies
d	All the above

\_\_\_ / 1

**Definitions**

Paragraph 4

**10. What is green washing?**

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\_\_\_ / 2

**Open answers**

Paragraph 5

**11. What are the key areas that need to be addressed?**

1	
2	

\_\_\_ / 2

Paragraph 5

**12. What needs to be added to the Companies Act and Social Services Act?**

1	
2	
3	

\_\_\_ / 3

**Linking words**

**13. Reference words** – explain what these reference words connect to: (underlined in the text)

Paragraph	Word	Connection
1	<i>it</i>	Answer: <i>CSR</i>
2	<i>this</i>	
3	<i>this</i>	
4	<i>it</i>	
5	<i>this</i>	

\_\_\_ / 4

**13. Author's stance?**

Is the author for or against CSR? Why?	
For	Against [choose one]
Why?	

\_\_\_ / 2

**14. Key language – explain these terms from the context / use synonyms where appropriate)**

Paragraph	Word	Explanation
1	<i>indispensable</i>	<i>absolutely necessary</i>
1	<i>culminates</i>	i)
2	<i>prominence</i>	ii)
3	<i>pre-eminent</i>	iii)
3	<i>resilience</i>	iv)
4	<i>salient</i>	v)
4	<i>exacerbated</i>	vi)
5	<i>fad</i>	vii)
5	<i>recognition</i>	viii)
5	<i>mechanisms</i>	ix)
5	<i>existing</i>	x)

\_\_\_ / 10

**Overall Total: \_\_\_ / 50**



**Comprehension Questions ANSWERS**

**1. Headings – choose a subtitle for each paragraph**

1	B	CSR popularity	A	The values of CSR
2	D	CSR historical evolution	B	CSR popularity
3	A	The value of CSR	C	The way forward
4	A	Key challenges	D	CSR historical evolution
5	C	The way forward	E	Key challenges

\_\_\_ / 4

**2. True / False / Not Given – one question per paragraph**

T/F/NG

1	vi.	The UN Global compact is an obligation [voluntary]	F
2	vii.	CSR has achieved a great deal since 1950 [remarkable]	T
3	viii.	CSR has helped many companies become more competitive	NG
4	ix.	Long-term investment in CSR boasts productivity	NG
5	x.	CSR is a fad and will evolve into something different [professional practice]	F

\_\_\_ / 5

**Open answer questions**

Paragraph 1

**3. What does CSR lead to?**

i)	increasing profitability and overall attainment of organisational objectives
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\_\_\_ / 1

Paragraph 2

**4. Key changes in the three main areas:**

1950	Philanthropic	<i>Religious &amp; humane philosophy</i>
		iii) community development
		iv) poverty alleviation
1970s	ii) <u>Regulated</u>	v) stakeholder to manager relationships
		vi) conscious awareness of corporate reputation
		<i>legal and ethical issues</i>
i) <u>1990s</u>	Instrumental / strategic	<i>Environmental protection</i>
		vii) sustainability
		viii) transparency
		<i>Internationalization of CSR standards</i>

\_\_\_ / 8

Paragraph 3

**5. What are the main benefits of CSR?**

1	<i>Improved financial performance</i>
2	Contribution to market value
3	Positive impact on societal stakeholders
4	Conscious connection with consumers
5	Improved product quality.

\_\_\_ / 4

Paragraph 3

**6. Name the two key features of internal CSR benefits.**

1	Increased employee commitment
2	Reduced employee turnover

\_\_\_ / 2

**Multiple Choice:**

Paragraph 4

**7. A company's failure in CSR is due to...** (choose only one answer)

a	only investing for a limited amount of time [short-run CSR investment policies]
b	higher management are not supportive [may lack commitment and support at senior management level]
c	not being attentive to stakeholder matters [Non-consideration of the issues stakeholder groups in various markets]
<b>d</b>	All the above

\_\_\_ / 1

Paragraph 4

**8. The main problem for managers is...**

<b>a</b>	<u>prioritizing and balancing aspects of CSR</u>
b	investing long-term in CSR
c	transparency and goal clarity
d	All the above

\_\_\_ / 1

Paragraph 4

**9. The problems with global logistic chains and off-shore manufacturing industries is...**

a	organizing CSR
b	managing CSR
c	governmental and environmental policies
<b>d</b>	<u>All the above</u>

\_\_\_ / 1

**Definitions**

Paragraph 4

**10. What is green washing?**

1	Promoting the perception of CSR principles through marketing and advertising, but in reality are not doing it and misleading consumers. <i>[key terms must be included]</i>
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\_\_\_ / 2

**Open answers**

Paragraph 5

**11. What are the key areas that need to be addressed?**

1	The recognition of diversity
2	collaborative and supportive mechanisms from source to supply chain to seller

\_\_\_ / 2

Paragraph 5

**12. What needs to be added to the Companies Act and Social Services Act?**

1	Enforcing ethical standards
2	The adoption of effective and transparent supply chain management practice
3	Legal action against greenwashing / misleading marketing campaigns

\_\_\_ / 3

**Linking words**

**13. Reference words** – explain what these reference words connect to: (underlined in the text)

Paragraph	Word	Connection
1	<i>it</i>	CSR
2	<i>this</i>	<i>CSR progression [must include progression]</i>
3	<i>this</i>	<i>Resilience and awareness</i>
4	<i>it</i>	Shop dressing or greenwashing
5	<i>this</i>	The recognition of diversity

\_\_\_ / 4

**13. Author's stance?**

Is the author for or against CSR?	
<b>For</b>	Against [choose one]
Why? Final sentence: <i>sustainability, transparency and ethical standards are key drivers in responsible business practice and the values of the society</i>	

\_\_\_ / 2

**14. Key language – explain these terms from the context / use synonyms where appropriate)**

Paragraph	Word	Explanation
1	<i>indispensable</i>	<i>absolutely necessary</i>
1	<i>culminates</i>	reach a point of highest development
2	<i>prominence</i>	the state of being important, famous, or noticeable
3	<i>pre-eminent</i>	surpassing all others; very distinguished in some way
3	<i>resilience</i>	the capacity to recover quickly from difficulties; toughness
4	<i>salient</i>	most noticeable or important
4	<i>exacerbated</i>	make (a problem, bad situation, or negative feeling) worse
5	<i>fad</i>	an intense and widely shared enthusiasm for something, especially one that is short-lived; a craze
5	<i>recognition</i>	acknowledgement of the existence
5	<i>mechanisms</i>	established process by which something takes place or is brought about
5	<i>existing</i>	in operation at the current time:

\_\_\_ / 10

**Overall Total: \_\_\_ / 50**