

THE IMPORTANCE OF CORPORATE SOCIAL RESPONSIBILITY IN INTERNATIONAL BUSINESS OPERATIONS



("Stu's Views")

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Background

- Corporate Social Responsibility (CSR)
 - Any harm to stakeholders should be corrected as best as possible.
 - May require a firm to relinquish some profits.
 - Many firms do not practice CSR in international business operations.

Purpose

- To provide a brief explanation of the importance of CSR in global business.



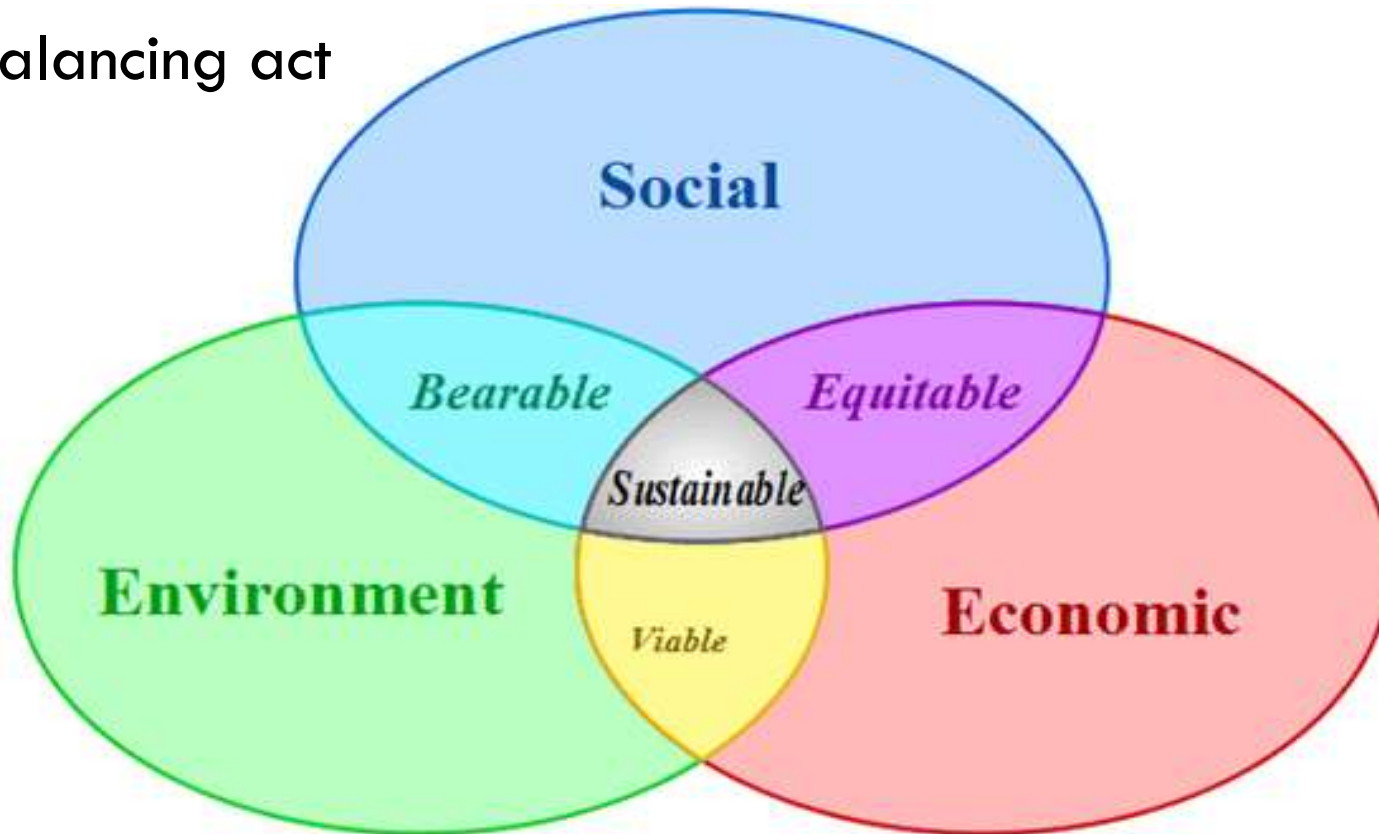
("CSR")

Research Objectives

- Determine the factors that make up CSR.
- Explore the importance of becoming a multi-national enterprise.
- Establish the harmful effects of not practicing CSR in international operations.
- Investigate popular American corporations' international CSR Policies.

Objective One

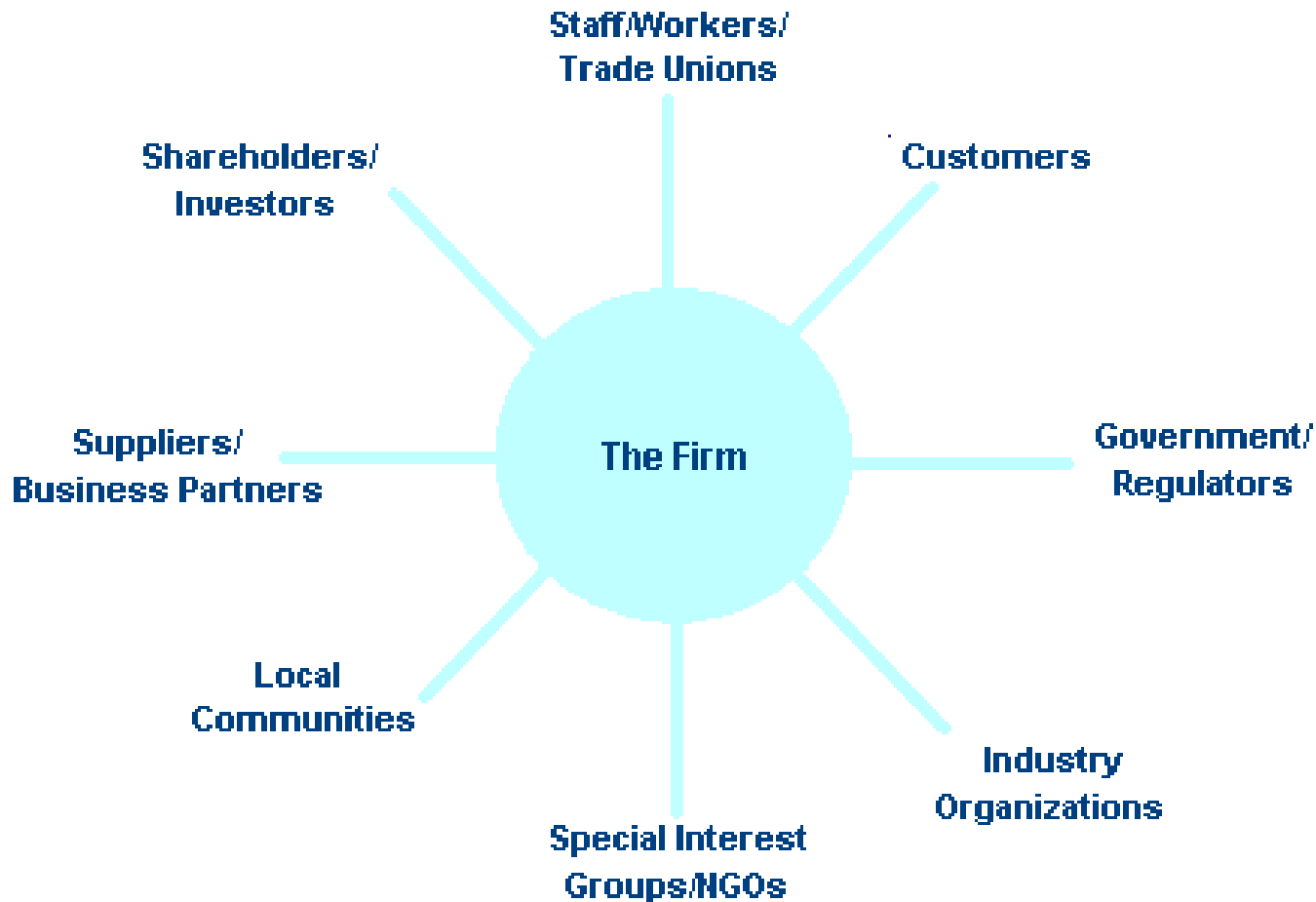
- Determine what factors make up CSR.
 - ▣ Term coined in the 20th century
 - ▣ Balancing act



("Corporate Social Responsibility")

Objective One cont.

- Determine what factors make up CSR.



("Some Potentially Important Stakeholders")

Objective One cont.

- Determine what factors make up CSR.
 - Pros of CSR
 - Balances corporate power with responsibility.
 - Discourages government regulation.
 - Promotes long-term profits for business.
 - Improves business value and reputation.
 - Corrects social problems caused by business.

Objective Two

- Explore the importance of becoming a multinational enterprise (mne).
 - ▣ Competitive advantage.
 - ▣ Can reduce prices of product.
 - ▣ Acquire a highly skilled work force.
 - ▣ Promote democracy and freedom in foreign countries.

Objective Three

- Establish the harmful effects of not practicing CSR in international business operations.
 - ▣ Domestic Damage
 - Loss of sales.
 - Tarnished reputation.
 - Employee retention and recruiting.
 - Rise in sabotaging behavior.

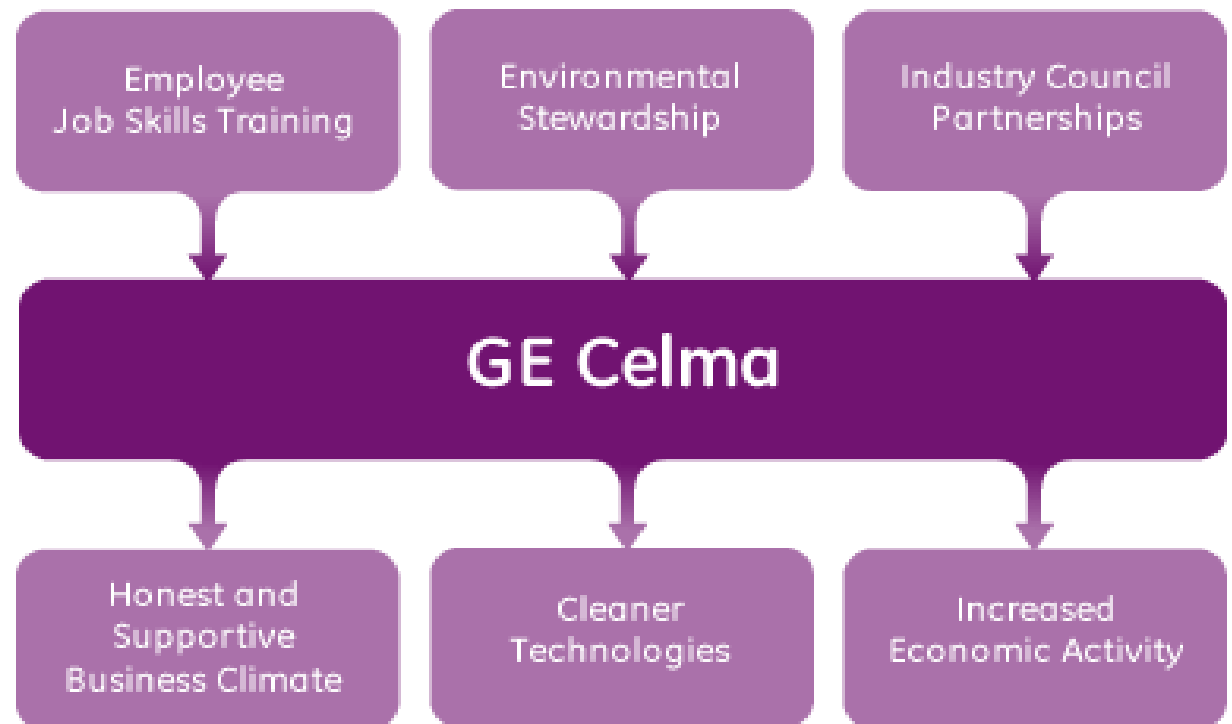
Objective Three cont.

- Establish the harmful effects of not practicing CSR in international business operations.
 - Foreign Damage
 - Loss of sales.
 - Tarnished reputation.
 - Harm relationship with the foreign country.
 - Lowered productivity.

Objective Four

- Investigate popular American corporations' international CSR policies.
 - ▣ GE Celma facility in Petrópolis, Brazil

GE Celma Value Chain



("GE Celma Value Chain")

Objective Four cont.

- Investigate popular American corporations' international CSR policies.
 - ▣ Shell Nigeria



("Ogoni People")



("Ogoni Community Rally")

Recommendation

- Go above and beyond what is required.
- Pays to practice CSR.
- Do not fear losing initial profits.

Reference Page

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