CORPORATE SOCIAL RESPONSIBILITY AS PART OF THEORETICAL ASPECTS

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ABSTRACT

It is important that the CSR manager within the organization engage internal stakeholders to monitor and study the CSR actions (Werther & Chandler, 2005). By continuously receive information from internal stakeholders on how the company's CSR initiatives and commitment perceived, companies strive to improve and change this view (ibid.). In order to adjust CSR activities with regard to stakeholder views and thereby create value for the company for a long time, organizations should take the necessary measures to address stakeholder concerns (Maon et al., 2009). Such an important measure is to establish dialogues with internal stakeholders. A great deal of research has emphasized the strategic management of corporate social responsibility (CSR). However, gaps remain on how CSR can be effectively integrated with existing business processes. One key question remaining is how to design business processes so that they accommodate stakeholder requirements in an integrated manner. The purpose of this paper is to present a framework that can be used to integrate CSR into business processes. The framework highlights the concept of simultaneous ‘top-down integration’ and ‘bottom-up community-related indicators development’ approaches to CSR. These two approaches are elaborated with the help of two cases. The top-down approach focuses on building CSR into existing business initiatives through an integrated management systems (IMS) approach. This paper concludes that an IMS approach provides the infrastructure for the integration of CSR.

BACKGROUND AND THE PROBLEM

Quality Management presupposes the constant improvement of company activities and raising the satisfaction level of customers. Following these principles imposes heavy obligations on the company. Maintaining and developing the system of Quality Management requires constant work on improving the management system, renewal of the production and technology base, getting feedback from customers and other company partners and taking their wishes into account. It is an essential requirement of the standard that staff be drawn into the process of improving the management system, including arranging internal audits. Social responsibility is an issue that in the current situation observed in both media consumers. Although one may see increased demand for social accountability from external stakeholders, it is still relatively few companies that are actively working on these issues. The business environment in which businesses operate places greater demands on them. This has meant that social responsibility has become increasingly important issue for companies. Furthermore, one can see that commitment has been raised to a higher organizational level within companies. The problem for the authors' thesis is to work with CSR as a strategic question - How is it done and how does it differ from business to business?

Objective: The basic actions to implement the management system for on the job safety and protection of labor included identification of dangers and evaluation of risks, on the basis of which we developed registers of dangers and risks, and also defined the essential risks and
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took measures for their avoidance. The first purpose of this paper is to describe how selected companies have been working on CSR issues over time. Decisions made at the strategic level in an organization to manage the work at the operational level. Thus, affect decisions at the management level operational activities in different ways. Depending on what decisions are made and the issues highlighted by the business operations thus be influenced in different ways. It also seeks to explain how the link to strategy affected the daily work with CSR issues.

Method: This study is based on a qualitative study is based on personal interviews with five respondents in four companies. The participating companies are a controlled selection and interviewees were selected primarily from their knowledge in relation to CSR. All the interviews are made on the premises of the company with representatives from the strategic level. They have been recorded to facilitate and ensure that documentation is correct.

Choice of Method: The essay is based on a case study of the company Ericsson's integration of its CSR work. The paper can be classified as descriptive as it aims to describe Ericsson CSR activities and how these are implemented in the organization at the company's headquarters in Kista. The study is based on secondary data, designed at the company's headquarters, and qualitative interviews with employees at Ericsson in Kista. When the documents that come directly from Ericsson, it was important to keep in mind that these documents were published by a for-profit company that not only want to communicate their CSR activities but also create positive associations with their brand. When using this type of secondary data should be awareness that a document never fully equal to the reality (Bryman, 2002). This becomes particularly important when the secondary data used in the empirical discussion in the largest extent from Ericsson CR & S report. Ericsson can thus give the impression that their CSR activities are more implemented in the organization than it really is. An awareness has been found that the producer of the documents has had a subjective position to the information.

Qualitative surveys and interviews can be a greater depth is given in the survey that you otherwise might miss out on (Gummesson, 2000, p. 88). Opportunity is also given to set follow-up questions and to discuss various issues in more detail. It is believed, however, that qualitative studies lack statistical reliability and validity, and that they are often too subjective to be used in an objective investigation (ibid). Weight has also has been to understand that interviewees often may have had subjective positions on the issues examined and also in designing qualitative interview questions that are not leading or subjective in itself. Since integration is a management perspective, we believe that the essay purpose is implemented in the best seen through qualitative interviews that give a greater depth.

Limitations: I have chosen to deal only with Kosovo companies. CSR is a multifaceted concept which many different disciplines housed. Regarding the definition of CSR and exactly which areas of CSR that are interesting the authors to lease it to the interviewed respondents from each company.

Conclusions: The development and CSR work within companies has changed over time.

The development of CSR within companies has gone from the process concept of the traditional view. Employees, clients and investors in are key motivational factors in driving development of the work. CSR has evolved to become a strategic issue.
CSR and Entrepreneurship

Sustainability, business ethics, corporate responsibility, and above all CSR are all terms used in the debate on corporate social responsibility (Windell, 2006, p. 3). CSR concept is broad and covers everything from companies to act sustainably for the environment, they should act ethically in their way of doing business that employees of the company shall be treated in a fair manner (Borg Lund et al., 2009, p.10). Despite the name, Corporate Social Responsibility is found not only in business but also used in the public sector, international organizations like the UN and among NGOs (Crane et al., 2008, p. 1). Carroll was the first who made a distinction between the different types of liability of an organization (Werther & Chandler, 2006, p. 8), and took out a model which according to many is the most expansive definition and explanation of the CSR (Crane et al., 2008, p. 55). The model presented by Carroll (1991) is a pyramid based on companies to take full responsibility on many different levels.

The first plane is the responsibility from an economic perspective, where the organization has a responsibility to be for-profit and maintain a competitive position in the market. As organizations operating within a rules-based society is the next step in the pyramid a legal responsibility to obey the law. It is thus corporate responsibility to act regularly and follow the laws set by the state and local governments in the country where the company operates. Liability of Figure 1. Carroll (1991) pyramid CSRrett ethical perspective, the third step in the pyramid thus acting ethically according to the norms. Finally, the company also has a philanthropic responsibility, which includes proactive and strategic decisions and actions that will benefit both society and the company. The philanthropic plane of the pyramid is about behavior that is not expected of organizations, but these do anyway.

CSR- CSR for companies (2005. p. 4-10) argues that there are four motives for CSR: problem solving, risk minimization, innovation and social responsibility. When the organization has problem solving that motives are now often passive when it comes to CSR. The company then has a tendency to wait to act until the authorities or stakeholders are putting pressure on the company. Risk minimization as a motive means that the company uses a reactive approach where the brand or the value protected by preventing the possible social and environmental risks.

When innovation is the company's CSR motives are used to continuously update and develop new innovations and products. CSR can enable new technological developments and thus bring the company's innovations ahead of the market. Finally used the subject a developed social responsibility to pay attention to the company's future needs instead of focusing only on today's problems and challenges. Through this proactive approach, companies can develop close relationships with various stakeholders, such as customers, suppliers and employees.

Integrated CSR

In order to have a successful CSR integration, organizations must build CSR strategies on company values and redefine relationships, and its interaction with stakeholders and the environment (Maon et al., 2010). Decisions related stakeholders can create a lot of friction and tension in the organization, both because of the moral issues that are often treated and depending on the different attitudes to whether the company should act selfishly or unselfishly. Jones et al. (2007) argue that these tensions can be solved with the help of a strong stakeholder culture. With stakeholder culture meant those ideas, values and customary practices that have been developed to solve problems related stakeholder. The culture affects
how the company responds to problems in two ways: by creating an interpretive framework for how information about stakeholders collected and evaluated, and by motivating behaviors and practices that support organizational culture. This can then lead to the members of the organization focusing on stakeholders to a greater extent, collect more information about stakeholders, develop greater understanding of the stakeholders and create more sophisticated procedures on how these issues are addressed with regard to the organization's core values. A strong stakeholder culture with deeply integrated CSR is therefore essential to be able to respond to society's expectations.

According Werther & Chandler (2005) is the first step in the model, to integrate CSR, to establish a voice for CSR within the organization. Conveniently, this is done by adding a CSR manager reporting directly to the company's management. The need for a CSR manager arises when it acts as a counterweight to other managers whose decisions are more focused on their individual departments and affairs. In the longer term goal is to CSR awareness will spread throughout the organization through various communication channels.

Communication in an organization is a continuous process that includes all forms of contact, information dissemination, and other communications that the company has (Larsson, 2005, pp. 118-121). Communication about the company's CSR begins according to Larsson (2005, p. 128) from the first internal notice that the company started with the work, to various training and information activities during the planning and implementation of various CSR activities. The communication also includes accounting, audit and evaluation of the activities. Stakeholder dialogue is continuous within organizations and these include everything from informal conversations, surveys, focus groups and administered the meetings. According to Welch & Jackson (2007) wants to companies and organizations achieve certain objectives through stakeholder dialogues, for example, to foster a sense of belonging to the enterprise of stakeholders, thus can generate commitment and loyalty of the employees. During the phase where the CSR implemented in the organization are dialogues of utmost importance. Through deep dialogue with internal stakeholders are encouraged both management and employees to increase knowledge about the company's activities and thus also the company's CSR work (Maon et al., 2009). Ongoing dialogue enables management to obtain information directly from employees lower down in the organization while employees receive direct information from management on new and ongoing CSR activities. Dialogues are different from formal communication where management often only communicates downward in organizations (ibid.). Stakeholders involved in an ongoing dialogue with your company often turns out to be less skeptical about the company than those who did not participate in the dialogue (ibid.). A CSR report is a way to institutionalize dialogue on social responsibility as it provides greater opportunity to make tangible measurements and improvements (Werther & Chandler, 2005). Attention should also be paid to integrate CSR report in the company's annual report so that it becomes possible to measure the results (ibid.). It should be high transparency in the flow of information between management and employees in building trust and commitment (Jamali et al., 2008). There is some criticism towards CSR and above all the reporting practices that take place in today's society.

Adams & Geoff (2006) argue that criticism has been directed towards CSR reporting because some of it is incomplete. There is also criticism directed against it is not clear how companies use CSR reporting, and they do not put enough emphasis on the presented CSR information when it comes to strategic decision-making (Adams & Geoff, 2006). The reason why some CSR reports are considered to be incomplete, according to Adams (2004), because the organization does not address the negative effects that may have occurred leading to a
relatively one-sided view of a company's CSR activities and reporting. That companies do not present the activities or operations that have had negative effects, however, is quite natural when organizations do not voluntarily sign with these results. By presenting negative results risk businesses negative financial effect, or a bad reputation (Solomon & Lewis, 2002). Many companies choose to set up codes of conduct (Code of Conduct) to reduce the risk of bad reputation and clarify the company's ethical rules of conduct. These mostly refer to existing laws and other regulations (Larsson, 2005, p. 142). United Nations Global Compact, which covers 10 basic principles of human rights and the OECD Guidelines for Multinational Enterprises are common in corporate codes of conduct. These should be supplemented and adapted to the company's specific business. (ibid., p. 164)

**Proactive visibility**

Maon et al. (2010) argue that depending on whether the strategies are more reactive or proactive organization will meet the expectations of society in different ways. A reactive organization meets either expectations with resistance or organization meets the expectations to avoid being forced into it later because of laws and regulations. A proactive organization takes responsibility for problems and attempts to correct or prevent them constructively and resolve latent problems. A reactive organization is characterized by the lead has only a moderate commitment to CSR and the organization does no more than is required. This means that the organizations uses the regulations and begin developing principles and guidelines for environmental, health and safety, but only meet minimum industry standards. A reactive organization intends most to reduce risks. CSR is partially integrated internally in the organization but has a more external focus. The proactive organization is characterized instead of that CSR is seen as a value-creating elements and that the organization has increased their knowledge in CSR activities, deepened their relationships with stakeholders and proactively respond to stakeholders' requirements. The organization tries to keep the principles that are adapted to the stakeholders instead of focusing on shareholders. The activities are focused on long term value creation rather than a more short-term asset protection performance-based perspective. Reporting on CSR published and now replaces codes with action plans. CSR system implemented and initiatives to secure a reputation as an industry leader in sustainability.

Interactive, transparent dialogues with stakeholders are important and CSR is an integral part of all company activities. In a fully-working proactively organization's CSR fully integrated in all parts of the organization and all activities that the organization engaged. The corporate culture occupies a completely transparent setting and it takes CSR partnerships with other companies in the same or different industries as well as collaborations with local activist groups, NGOs or government agencies.

**The Kosovo Corporate Social Responsibility**

CSR Network is the first business network established in Kosovo for CSR by its founding members. The Network was founded on April 21st, 2011 by distinguished Kosovar and international business leaders who were determined to increase the public's awareness on CSR and also incorporate CSR best practices into their own companies. Although currently a relatively small organization, the Network seeks to grow and become a stimulating network to attract new businesses in promoting CSR across Kosovo.
The CSR Network seeks to fully comply with the Ten Global Compact Principles which is a principle-based framework for businesses, stating ten principles in the areas of human rights, labor, the environment and anti-corruption. Protection of internationally known human rights, elimination of child labor, promotion of environmentally friendly practices, and elimination of discrimination in respect of employment and occupation, and promotion of anti-corruption values are only some of the areas that the Network seeks to address. (http://www.csrkosovo.org/en-us/about-us)

Members of CSR Network:
REFERENCES