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CORPORATE SOCIAL RESPONSIBILITIES OF PROJECT MANAGER OF BUSINESS ADMINISTRATION

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Abstract
Companies have believed for years that their only responsibility was a financial one—maximizing value for shareholders. Corporate Social Responsibility (CSR) is a new idea—where the corporate sector incorporates social and environmental concerns in its strategies and plays a more responsible role in the world. This paper will argue that with some effort and foresight, corporate social responsibility can be integrated seamlessly in the goals of almost all organizations. Furthermore, it is not necessarily the chief executives who must always initiate and implement CSR. Project managers have the ability to introduce Corporate Social Responsibility in their work and promote social good within his firm. If properly understood and executed, CSR is a win-win strategy that benefits the company, as well as society.

Introduction
The paper will make a case for Corporate Social Responsibility and will demonstrate how a project manager can be a critical factor in its execution. We shall first discuss the idea of CSR and the reasons why it is advocated. The next section will consider the debate around the concept, followed by the risks of neglecting this responsibility. The subsequent sections will deal with the integration of CSR into corporate goals and the role of the project manager. With Corporate Social Responsibility (CSR), organizations take responsibility for the impact of their activities on customers, employees, shareholders, communities and the environment in all aspects of operations. This effort extends beyond simply obeying local laws, as organizations voluntarily take steps to improve the quality of life for employees and their families, as well as society at large. CSR is sometimes called "corporate citizenship," meaning that a company should be a good neighbor to the communities that are affected by its presence. There are compelling reasons why companies should engage in some form of effort aimed primarily at social welfare. Proponents of CSR have used four arguments to make their case: moral obligation, sustainability, license to operate, and reputation. Moral obligation means that stakeholders of a growing number of companies are only satisfied when the company balances the impact of its business with socially responsible practices.

CSR initiatives may be supported due to reputation impact, on the grounds that they will improve a company's image and even raise the value of its stock . Examples of such reputation benefits include a greater clientele, the ability to charge premium prices, and the retention of more productive workers. Companies tend to manage risks to their reputation and brand in a reactive mode, only dealing with crisis events after they happen. Companies confronted with boycott threats, as Nike was in the 1990s, or with the threat of high-profile lawsuits, as McDonald's is over obesity concerns, may also see CSR as a strategy for presenting a friendlier face to the public.

Objectives of Corporate Social Responsibility.
a) Rebuilding of public trust and confidence by increased transparency in its financial as well as non- financial reporting and thereby increasing the shareholder value.
(b) Establishing strong corporate governance practices to enhance the brand reputation of the company.
(c) Giving adequate support to the health, safety and environment protection policies of the company both within the manufacturing operations as well as while dealing with outsiders.
(d) Making substantial improvement in its relationship with the labour force thereby showing its concern for human rights and making it known as an ideal employer.

With growth in the complexity of business and concerns about sustainability, there may be conflict between the enhancement of a company's long-term profitability and its contribution to the public good. The situation is often exacerbated by the apparent lack of rewards in following a CSR strategy. For example, Wal-Mart is rewarded by the market for cutting costs; Costco, which offers better insurance and benefits to its workers, is penalized by the market for not cutting costs as well, and therefore not being as profitable as Wal-Mart. More recently, championing an active role for government, Robert Reich argued in his book "Supercapitalism" that companies who don't embrace the principles of Corporate Social Responsibility are neither brutally insensitive nor ruthlessly greedy. "They're doing what they're supposed to do, according to the current rules of the game—giving their customers good deals and thereby maximizing the returns to their investors" . Just as games require rules to define fair play, the economy relies on government to set the economic ground rules. If government wanted to change the way Wal-Mart does business, it would change the current rules—making it easier for employees to unionize, to get health insurance and pensions, and to grant a living wage. One major problem is that CSR simplifies some rather complex arguments and fails to acknowledge that ultimately trade-offs must be made between the financial health of the company and ethical outcomes. And when they are made, profit frequently wins over principles. In her book "The High-Purpose Company," Christine Arena uses wide-ranging research to show that a corporation does not have to choose between being socially responsible and making a profit. By studying public records, news articles and companyissued reports, and by interviewing stakeholders comprising employees, executives, consumers, watchdog groups and industry experts, Arena's team found that contributing to the greater good is more than just a marketing tool. . Companies exist to create prosperity. Society in turn decides what limits to impose on how companies behave, and thus we have laws to protect the common good. Most of the world has reached the stage where good laws are in place, but poor enforcement exists for those laws. Poor enforcement has its roots in corruption and weak institutions, and poor governance perpetuates poverty. Corporate social responsibility programs try to bridge the gap between what laws are in place and enforced, and basic fundamentals of good business practice, such as obedience to local laws, avoidance of exploitative practices, and complete transparency.

For example, Nestle (2006) has stated that the true test of a business is whether it creates value for society in the long term. As much of Nestle's business takes place in developing countries, they need to improve business conditions, improve the capabilities of farmers, create a skilled workforce and develop improved standards in order to operate effectively. This example demonstrates that the welfare of society and environment is not the responsibility only of governments and NGOs; indeed, corporations can be often more effective in promoting lasting social change. Good CSR is not so much about prioritizing the environment over shareholder interests as much as it is about solving environmental problems in a way that serves shareholder interests.. Moreover, as Porter and Kramer pointed out, "the more closely tied a social issue is to a company's business, the greater the opportunity to leverage the firm's resources—and benefit society." It's all too common to see corporations destroying communities in pursuit of economic expansion. The sense of urgent market opportunity, combined with the fact that professionals, from the executive suite to the project manager, are disconnected from the world and feel "the problem is too big for me to make a difference." This apathy leads to a lack of accountability, and the problem remains unaddressed. It doesn't help that social responsibility and ethics have not been successfully integrated into a curriculum of business and market leadership. The experienced project manager brings discipline in risk assessment and mitigation, which can be refocused to identify social risks that might go unnoticed by the top leadership. For example, companies may not uphold norms of behavior in developing countries, arguing instead that they operate within the local laws of the countries in which they are working. The project manager will have unique visibility into that disconnect, and will be able to escalate discrepancies between the minimums the law requires and what's appropriate for the community before they turn into a crisis for the company's operation or reputation.

How can the project manager evaluate CSR risk? He or she can rank social issues the same way he or she ranks all other project risk, by probability and impact. What is the likelihood a social, environmental or ethical issue will arise in this project? What is the potential impact, not just to the project, but also to the community and society? By integrating these considerations in project planning and execution, risk can be minimized and societal good promoted. Project managers can influence their companies toward socially responsible behavior at the local level in areas such as human rights, employee rights, environmental protection and supplier relations. Projects that involve partnerships with the local community can create enduring relationships of respect, goodwill, and mutual benefit. For this to work, however, it is overwhelmingly important to understand the needs of the local community through regular contact and dialogue so that the company becomes an integral part of community life.

To get started on the road to social responsibility, project managers should first determine the position of their organizations with regard to CSR. Guidelines on sustainability and corporate responsibility are available, and independent parties provide accreditation of company reports in the light of these criteria. Among the many tools made available by agencies and consultancies, project managers may refer to the self-assessment questionnaire of the WBCSD, which should help them know where the company presently stands and what its future needs are. The questionnaire is designed to show how closely such areas as company vision, policies, values, targets and performance measurement manifest themselves in CSR processes. Because integrating corporate social responsibility into operations involves more than simple project execution, the next task is to generate a communication plan before social action can be undertaken. It will be critical to get buy in from key managers and influencers of the organization, explaining clearly the rationale for such action and demonstrating appropriate risk mitigation. So let's define the steps in a CSR initiative, from a project management standpoint. There are, broadly, six phases in any CSR project: introduction, identification, positioning (for managers who are introducing something very innovative and wish to see how it stands in relation to other such initiatives), strategy development, implementation, and monitoring. The experienced project manager can easily develop a work breakdown structure to support these activities. In each phase, the project manager can utilize various tools ranging from policy.

Porter and Kramer proposed a framework for understanding CSR as something that enhances the competitive edge of firms and ultimately benefits both business and society. “An affirmative corporate social agenda moves from mitigating harm to reinforcing corporate strategy through social progress.” In order to have a real impact, organizations need to determine where they can do the most good. Will a company undertake CSR efforts only for PR purposes? Or will it move beyond that to try to undertake efforts to offset the negative impacts of its supply chain? Or will the organization boldly move forward to use CSR for strategic advantage? Some companies, such as Gap, Inc., a US-based clothier, perform CSR efforts that are unrelated to its business, for PR purposes. An example is a recent campaign to sell a special line of “Red” shirts, from which half of the profits go to help victims of AIDS in Africa. For corporate social responsibility activities to be truly sustainable, a company should work to build a strategic advantage around CSR. A change in the activities of a market leader can cause stakeholders' expectations to shift quite rapidly, which can hurt the reputations of firms that stick to the old ways. For example, the “ecomagination” initiative launched by General Electric in 2005 is already raising the bar for other companies. The initiative committed GE to doubling its R&D investment in developing cleaner technologies, doubling the revenue from products.

Conclusion

True CSR requires systemic change. Speaking in an interview, said that business should go on the offensive and “move away from defensive actions into a proactive integration of social initiatives into business competitive strategy.” When corporations make strict commitments and make substantial investments in a socially responsible strategy, then, in spite of the increased risk, there is greater likelihood of increased payoffs. However, many business experts have stated that attention should be confined to tangible business operations with a social dimension that produce a competitive edge. If corporate philanthropy is independent of business competitiveness and skills, says Porter, then the task is better left to governments and philanthropic organizations. In a flat and globalizing world, however, there would not be many examples where a social cause that a firm might champion is absolutely not linked to its business interests. CSR can be a revolutionary way of contributing to systemic social changes in which investments can produce lasting social benefits in areas such as health. In this context, the project manager, who is likely to have a greater degree of awareness about local or regional social issues, can make a significant and effective contribution to a company's CSR.

While CSR will become increasingly important to competitive business, it will take more than good intentions and strong leadership to integrate social and business needs. One must be prepared for adjustments in organization, reporting relationships, and incentives. However, the financial necessity of maintaining good quarterly results is often the perceived limitation in CSR implementation. How can we ensure good CSR while maintaining appropriate financial and performance results? To make CSR sustainable for companies it is essential that a proper measurement system for corporate social achievement be put in place, accompanied by fitting celebration of and reward for accomplishments throughout the organization and into the broader community. Only then would CSR have a chance of becoming a lasting part of organizational culture. CSR is too big of an issue to leave to someone else to address. Every company depends on a strong society, and project managers can play a key role in making that happen.

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